

Answer the Question, Then . . .

Have you ever asked someone a question, only to get a long response? At some point you might get the answer to your question, but frequently you have stopped listening.

How long are your responses when asked a question?

Here's a suggestion from Jim Kunk, Regional President, Huntington National Bank. When asked a question, answer it. Then pause (long enough for the questioner to absorb your answer) and then provide the reasons behind your answer.

You might find the other person more willing to listen, once they know your answer.

Average

"In the average organization, when people respond to 'when can it be done' they look at their calendars. In the great organization, they look at their watches." - "Top" Addams

In the "average" organization, 70% to as high as 90% of the people believe they are above average in performance. No one it seems wants to believe (or at least admit) they are below average.

But, by definition, 50% of the people are above the median (close approximation for average) and 50% are below, within any organization. The key, it seems to us, is to compare the organization's performance with other organizations.

Would you rather be an average performer in an organization that is performing well above average, or an above average performer in a well below average performing organization?

Think about it – sooner than later.

If you are in a well below performing organization, you might not have a job (sooner than later) no matter how well you are personally performing.

Of course, the ideal would be to be an above average performer in an above average organization, but the odds are only 1 in 4 (50% times 50%).

If you are not already there, you can begin by looking at your watch, instead of your calendar.

Chrome It

Back in the 50's and early 60's many teenage boys may have wanted to drive a fast car, a "hot rod," but most felt lucky to have what might be best described as an "old junker". The answer, "chrome it."

The actual saying was "if it won't go, chrome it". Which meant if the engine wasn't fast, at least you could buy a chrome cover for your oil filter, air cleaner, or some other engine part. That way when you opened the hood, it looked good, even though underneath it was still an "old junker".

We can't help remember the phase when we see many organizations today with low levels of employee engagement (clunkers) who "chrome it" in an attempt to make things look good.

What about your organization? Are your people engaged, or is "chrome it" a better descriptor?

Listening versus Hearing

In a best-selling mystery story, the main character (an extremely intelligent sixteen year old) tells her surgeon mother, "Listening is different than hearing." Intrigued, we check out the definitions of each.

Listening is defined ¹as "To make an effort to hear something." And hearing is "the capacity to hear." Both are very similar, so close that each word is listed as a synonym for the other. But there may be a subtle difference worth pursuing as we relate the words to leadership.

We have often heard the importance of communication in leadership. But leaders who have the capacity to hear (hearing) and even make an effort to (listening) may, as the sixteen year old is implying, fail at communicating.

Why? Because leadership is more than a capacity, or an effort, it is based on building a relationship with others (other leaders and other followers). And a relationship requires actually connecting with another person.

Connecting is defined as "To join or fasten together." That builds relationships.

Starting today, go beyond listening and hearing and start connecting.

¹ Definitions are from the Free Online Dictionary.

Reacting to a Problem

We have all heard how you define a problem determines its possible solutions. We have also heard that the difference between managers and leaders can be found in how they deal with a problem. Here's a real example.

In a luxury hotel in the Bahamas one of the buildings loses its water. Three hundred rooms all without water in the mid-afternoon and people will soon be returning from the beaches and the pools to get ready for dinner.

The Manager of the hotel defines the problem as the building has lost its water supply. He further errors in keeping the problem and any possible remedies from the rest of the hotel staff.

The problem isn't the building, but the many vacationers who will soon be without water. Defining it differently determines the possible solutions.

It's also not just the Manager's problem, it's all the hotel staff's problem. But instead they are telling people the water will be back on shortly. This, of course, further amplifies the problem of the hundreds of vacationers who are getting more and more frustrated as they are being lied to by the leaderless staff.

What could a leader do? First, by redefining the problem as the vacationers there are many possibilities. One would be to put notices on the door to every room, identifying the problem, apologizing for the inconvenience, and offering some remedy (say a \$100 credit for dinner, as they are waiting for the water). If a real time is known for getting the water back, share it with the guests and the staff so people are told the truth.

A Manager might say a \$100 credit would be costly to the hotel. A leader would note that at \$500 a night (\$150,000 in total revenue), it is a small token of understanding.

Managers have a problem, leaders have an opportunity to show the guests how a real luxury hotel solves the guests problems.

Reassuring or Alarming

Based on our experiences we find health care professionals can be categorized within two extremes - reassuring or alarming. The same can be said about leaders.

In health care, reassuring is best described as those professionals who provide a calming effect to the patient. Yes, you have a medical issue, but they put everything into as positive a perspective as possible, while at the same time minimizing the role they might play. The patient hears what can be done to help.

Alarming, on the other hand, describes the health care provider that emphasizes the worst. You have a problem and treatment may, or may not, help, but you are fortunate to be in the hands of an expert whose role is of utmost importance. The patient hears only the worst.

The same extremes may be applied to leadership.

The reassuring leader displays calm even in difficult situations. You and the organization will make it through based on your abilities, guided by the leader.

The alarming leader paints every situation as a crisis that only he or she can lead you and the organization through. Without the leader everything is doomed.

So what best describes your approach to leadership? Are you reassuring, alarming, or somewhere in between?

Rule of 250 - Updated

Joe Girard has sold more "big ticket" retail sales items than any other person. He sold Chevrolets in Michigan and he set his records by 1977; most sales in one day - 18; most sales in one month -174; most sales in one year - 1,425; most sales in a 15 year career - 13,001.

And Dave Gill, a Chevy dealer in Columbus, Ohio says Girard's records have never been broken. You may have never heard of Joe Girard, but you might know his Rule of 250.

Girard believed in relationships. He observed that most people have links to 250 other people. He discovered his rule by observing the typical number of people at weddings and funerals.

For Joe, every person represented 250 potential sales. And in reverse, he believed, if you treat one person poorly, 250 people will ultimately be told.

And that was in 1977. With today's social networking, emails, and web sites, the number of links a person may have has been expanded well beyond 250 and they can be "told" with one "click."

Leadership is also about relationships. In building them (and potentially destroying them), remember Joe Girard's Rule of 250++++.

Selling Management

In the “classical” approach (that means some might disagree) the role of Sales is to create a perceived need for the products, or services, you are selling. Those in Development work (raising money, often for non-profits) would say their role is different. It is to find (and fulfill) a real need through building a relationship.

Whether you agree, or not, with our descriptions of Sales and Development, you might agree when we apply them to leadership. We think that Management is more like Sales. It involves selling what you perceive to be a need (yours, the organization’s, or both).

Leadership, we believe, is different. It is based on finding (and fulfilling) the real needs of the people you are responsible for. It can best (or only) be done through building a relationship with them.

Some might call this is servant leadership. What you call it isn’t as important as what you do. Whose needs are you fulfilling today? Yours or the people you wish to lead?

Team B

The Central Intelligence Agency (CIA) created a Team B in the 1970s to provide a “competitive analysis” to analyze the security threats to the United States from the Soviet Union. Team B was made up of "outside experts" who were used to counter the intelligence experts within the CIA.

Although their results have been subject to criticism for their findings and conclusions, we believe the concept of a Team B is worth considering. Too often internal experts are not subjected to any "competitive analysis" and their results are subject to (often very valid) criticism.

Team B need not be composed of experts outside the organization. Many successful leaders create situations where a "competitive analysis" is completed by others in the organization (often leaders from other areas, or people in different positions).

The best leaders not only listen to, but are willing to create opposing views.

How about you? Are you willing to create a Team B?

Bringing Your Principles To Work - Conviction

In 2012, we challenged Jane Grote-Abell, Chair of the Board and Owner Donatos Pizza, to write a book based on her concept of Bringing Your Principles to Work. We are happy to announce that her book is due from the printer soon – [click here to pre-order](#). In anticipation, we'd like to rerun her series of leadership lessons that started as the outline.

I have found along my journey that many people find themselves in a job because it provides an income and financial stability. I believe that successful people have found their true purpose in life.

When one is committed to their purpose there is a true satisfaction in what they do for a living. They no longer look at life as making a living but they are living a life with purpose. It takes conviction to find your purpose in life and passion to express it in what you do for a living.

Many people have passion and stand for something but few people are passionate about their purpose. It is critical to have passion with a purpose. So we ask ourselves what is our purpose? Why are we here? How can we make a difference?

Is the life you are living worth the price you are paying? Sometimes people settle for something because we get caught up in life. We settle for a 'job' because we have to provide for our families and we lose sight of our dreams.

What is your purpose? Do you have the passion and conviction to follow your dreams? Are you making a difference? Leaders make a difference.

Bringing Your Principles To Work - Conviction: Perseverance

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I had periods of time when I wasn't sure that I loved what I was doing. This caused internal conflict because it was a family business. I loved our mission, our people, and our product, but I didn't love what I was doing anymore.

Reflecting on my difficult times I realized that I either didn't like who I was working for, or I didn't like the person I was becoming. It is easy to find reasons not to 'like' the person you are working for, it is much harder to look in the mirror and recognize that you might not like the person you are becoming.

When we look for the negative in others we can find it, however where we try to sense our own opportunities our vision becomes blurred. When we love what we do, but don't like the people we are working for, it causes us to question our journey.

If we have conviction for what we are doing there is nothing that will stop us from achieving great results. We learn that everyone has something to teach us and we are open to learning from everyone.

I became stronger in my conviction when the path was the hardest. Something about obstacles, whether they are real or perceived, creates determination and perseverance. The tough times allow us to build perseverance which in turn builds character.

Do you have the conviction, the perseverance, to overcome your obstacles?

Bringing Your Principles To Work - Conviction: For The Right Reason

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The best thing that happened to our family business was McDonald's buying the company. This allowed the family to pursue their passions and purpose in life without the emotional connection. I had to make sure that my passion for buying the company back was for the right reasons.

I never questioned whether or not we should pursue the re-purchase. I believed that we had the best people and that their passion would turn the company around. I knew the decision was the right decision, but I had to ask myself a question. In my quest and passion to purchase the company back, was I doing it for the right reason?

Was I so determined to get the company back because we had so many great people who believed in our mission and promise, or was I trying to make my dad proud? As vulnerable as that statement is to write, I have found so many people in a family business stay in the business for different reasons.

Some second and third generations have an emotional connection and find it difficult to separate from the family ties. Sometimes the family stays in the business to make their parents proud. While others stay in the business because they have not had the opportunity to work anywhere else and feel a sense of safety and security.

What about you? Whatever the organization you are in, are you staying for the right reasons?

Bringing Your Principles To Work - Conviction: Influence The Outcome

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Once we made the decision to buy the company back, we went to work on creating a strategy. Tom Krouse and I put together a plan and designed an organization to support three different scenarios.

We worked on one plan where we bought the whole company back and grew the company, one where we minimized our risk and closed the outside markets, and one where we franchised the outside markets and kept our core market as a company. Each strategy had significantly different scenarios in regards to our structure.

The leadership at McDonald's was very supportive and we met with them over several months to propose a few ideas. They believed in our mission and wanted to see the family buy the company back. So on December 11, 2003 my father and I signed the papers to buy the company from McDonald's.

We believe in the power of ownership and held a percentage for each member of the executive team to purchase a share at the same price we paid. My mom, brothers, and sister all put in a small amount because they believed in the destiny of Donatos.

As I wrote a check for my share of the purchase, it may have been the first time I recognized the difference between being an owner on paper and signing the front of the check. Granted I have been an owner most of my life, due to great estate planning by my parents. However, this was different; I signed the check and became a partner with my dad.

Would you become an owner of your organization (if it was offered and possible)?

Bringing Your Principles To Work - Conviction: A \$10.5 Million People Driven Turn Around

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McDonald's made it easy for us to buy our family business back. They wanted to see our success. We were fortunate to be working with people of integrity.

However, we were still buying back an unprofitable company with a lot of debt. The first year we had a 10.5 million dollar turn around which I attribute to our store managers. They continued to be the face of the company to our customers.

All of our people continued to fulfill our mission and promise and never wavered from their passion for our customers, our product and our people. It was our people that had the conviction. Our people who stood strong and believed in the destiny of Donatos that created the turn around.

My father focused on the finances and the commitments made during the "years of the arches". Tom Krouse led our growth strategy. He worked with the team to build the right size asset and a new concept for the future. I spent the next three years visiting our stores. Learning what we were doing right and what we were doing wrong.

We rolled out a new concept, improved our balance sheet and began to franchise once again. I never looked back and I believe that our stores make a difference in the lives of the associates and the customers that they serve every day.

People with conviction and passion can make a (huge financial) difference.

Ethics by Example – Stability in laws, rules and regulations would help good ethics
Written by Bill Lhota, CEO of COTA and former AEP senior executive. *See Contributing Authors for more details.*

While taking an online course on the Constitution, we were required to read several of the Federalist Papers. The Federalist Papers were the papers written under the pen name Publius in support of the U.S. Constitution that was being discussed in Philadelphia to replace the present Articles of Confederation that did not meet the needs of our growing country. Publius was actually Alexander Hamilton, John Jay and James Madison.

Federalist 62 dealt with the establishment of the U.S. Senate and how the Senate's proposed structure would lend the legislative branch stability and wisdom. The specific language that jumped off the page was:

“The internal effects of a mutable policy are still more calamitous. It poisons the blessings of liberty itself. It will be of little avail to the people that the laws are made by men of their own choice if the laws be so voluminous that they cannot be read, or so incoherent that they cannot be understood; if they be repealed or revised before they are promulgated, or undergo such incessant changes that no man, who knows what the law is today, can guess what it will be tomorrow. Law is defined to be a rule of action but how can that be a rule, which is little know, and less fixed.”

The advice for stability in our laws written in Federalist 62 on March 21, 1788 is good advice to elected officials and regulators today. Leaders must always know and obey all existing laws, rules and regulations but each year it becomes much harder to know the “rules of the road.”

Feet First

When most people think about nonverbal communications, they think about “reading” clues in a person’s face. Not the best approach, says Joe Navarro, FBI Special Agent (Ret.).

The most “honest” nonverbal response, according to Navarro, begins with the feet and works its way up the body. He says most people have mastered the “poker face.”

Leaders know the importance of nonverbal, as well as verbal communication. And when the two are in conflict, nonverbal generally gives you the most honest answer.

Want to learn more, read Navarro’s book *What Every BODY is Saying*. If not, or in the meantime, remember Feet First.

Green, Yellow, Red

Here's an idea for teachers, discussion leaders, professors, and speakers in all settings. Identify if those who are listening to you are "green," following and understanding your message, or are "yellow," confused by what you are saying, or "red," completely lost in your presentation.

How would you know? The simplest approach might be to ask them. Those more technically inclined might develop an elaborate series of lights that could be triggered by hidden buttons so those in the audience could remain anonymous.

We think the same concept should be applied to leadership. Are people "green," engaged with you and the organization, "yellow" disengaged, or "red," actively disengaged.

Providing your green, yellow, or red "status" in an anonymous way could be an ongoing engagement indicator for your leaders.

Wild idea? We think not. We know people who are working on it.

Persistence of Vision

Magicians rely on a phenomenon of the eye where it is believed that the retina holds an image for 1/25 of a second after it is removed. Magicians trick the brain into believing a coin was passed to another hand while being retained by the other hand. It is a classic “close-up magic” move that with practice can be mastered.

What’s the leadership point? We think there is another persistence of vision phenomenon that also tricks our brains. It doesn’t occur with coins, but with vision, the leader’s vision.

Think of the leader who pursues a vision long after it is clear to others that it isn’t working. And, unlike magic, we believe the closer one is to the vision, the harder it is to see when it isn’t working. Why? - Because of (emotional) investment. The more we have invested in something, the more we believe in something, the more we want it to be successful, the harder it may be to see when it isn’t working.

For the magician the phenomenon lasts only for a fraction of a second. For leaders it can last much longer and sometimes (unfortunately for the people impacted) too long.

Practicing Professionals

Have you ever thought about how professionals, those in law, public accounting, engineering, or medicine, speak of what they do as practicing and where they do it as their practice? We have thought about it and we think it supports the ideas and concepts behind our Leadership Practices.

The definition of practicing is “actively working in, or engaged in, a particular profession.”¹ A profession is an occupation, or career.”¹ Not surprisingly, we believe that leadership is a profession and when engaged in leading others, you are practicing.

In reverse, continuous practice can make you a professional. Striving to learn more, becoming better at what you do (as you are doing it).

What about you? Are you a professional leader? Are you practicing what you do?

If so, we are pleased to continue presenting to you our daily Leadership Practices. We hope they are making you a better leader.

¹ The American Heritage Dictionary.

Sustainment

There's a difference between logistics and sustainment. That's what we learned from Major Jeremy Banta of the 371st Sustainment Brigade of the Ohio National Guard.

Logistics is moving from point A to point B, he explained. Sustainment is more. Think of it as a cycle. Sustainment means maintaining (sustaining) movement.

If you think about it, sustainment helps describe leadership. Management is about moving people from one point to another (logistics), the accomplishment of a goal. Leadership requires more. It is building momentum, leading to a sustained achievement of goals.

Applying sustainment to leadership means creating a cycle between leaders and followers, building both a long-term relationship and momentum.

Are you building momentum, sustaining your leadership, or just moving from point A to B?

Half Empty, Half Full

"An army of sheep led by a lion is better than an army of lions led by a sheep."

- Attributed to Alexander the Great

The leadership equivalent to the half empty, half full question can be found in the difference in thinking between supervisors and leaders.

To a supervisor the glass is half empty. A supervisor can always use more people, more controls, more committees, and more resources, to fill the glass. To a supervisor the more people there are below them means more rewards (compensation) for them. They are the sheep. Supervisors thrive during prosperity.

To a leader the glass is half full and that's plenty to get the job done. A leader expects more from people, provides opportunities for them to develop by reducing controls, builds and encourages teams, and gets more from resources. To a leader the fewer there are below as well as above them means the more value they are adding (compensation) for all. They are the lions. Leaders thrive during difficult times.

Leaders create prosperity. Imagine what an army of lions led by a lion can do.

What about you? What about those above and below you? Sheep or Lions? Half empty, half full?

50% Wasted?

Several famous marketing people have been quoted as saying something like, “50% of advertising is wasted, and the trouble is, I don’t know which half.” They include; John Wanamaker, department store owner, William Lever, the soap king, and more recently, the advertising executive, David Ogilvy.

It seems to us, it would difficult to be a leader in a profession that begins with the premise of 50% of what you do is wasted. We found a marketing leader who agrees with us.

Ann Gallagher, CEO of Gallagher Consulting Group advises her clients, “don’t do it unless it makes you money, or saves you money.” What does all this talk about advertising have to do with leadership?

Some think of leadership as a “soft skill.” It may not be able to be “cost justified,” or maybe even like advertising, you might believe - 50% of what you do is wasted, but you don’t know which half.

That may have been true (or at least it couldn’t be proven false) when all we had were leadership theories to guide us. But now we have facts, the hard data of engagement - the higher the level of employee engagement, the higher the productivity, customer satisfaction, and retention.

Engaging people makes money (if not immediately, surely in the long-term). And those who are disengaged, those who have quit their jobs, but stay to collect a paycheck, are costing you money (today).

So what about you? Are you making money today by raising the level of engagement in your organization? Are you saving money by dealing effectively with those who are disengaged? Or are you wasting your time?

Three Mistakes

In his book, *Reflections on Pearl Harbor*, Admiral Chester Nimitz said, "The Japanese made three of the biggest mistakes an attack force could ever make."

"Mistake number one: The Japanese attacked on Sunday morning. Nine out of every ten crewmen of those ships were ashore on leave. If those same ships had been lured to sea and been sunk, we would have lost 38,000 men instead of 3,800."

"Mistake number two: When the Japanese saw all those battleships lined in a row, they got so carried away sinking those battleships, they never once bombed our dry docks opposite those ships. If they had destroyed our dry docks, we would have had to tow every one of those ships to America to be repaired. As it is now, the ships are in shallow water and can be raised. One tug can pull them over to the dry docks, and we can have them repaired and at sea by the time we could have towed them to America. And I already have crews ashore anxious to man those ships."

"Mistake number three: Every drop of fuel in the Pacific theater of war is on top of the ground in storage tanks five miles away over that hill. One attack plane could have strafed those tanks and destroyed our fuel supply."

Admiral Nimitz was truly a great leader who was able to see opportunity in the midst of a crisis. It's a valuable leadership lesson for us all.

“It’s Above My Pay Grade”

It’s a common statement, one we have all heard (and maybe even one you have said). But when you think about it, it’s one a leader should seldom want to hear.

There are several reasons (and causes) why someone might say *“it’s above my pay grade.”* One reason is when they do not know something (it hasn’t been shared with them – poor communications). Another is when they feel they lack the authority to do something (the cause - not feeling empowered).

Others reasons include not feeling comfortable responding (fearful they will extend beyond their presumed authority). And, of course, a reason may be that they have the authority, knowledge, and are empowered, but they are disengaged (unwilling to do what is expected of them).

None of these reasons seem to us to be a desirable response.

What do you think? Hopefully, answering isn’t above your pay grade.

Bringing Your Principles to Work - Conviction - A Destiny

A leadership series written by Jane Grote-Abell, Chair and Owner, Donatos, based on her book (currently being written). See A New Series for more details.

In February 2003 the rumor hit the streets that McDonald's was going to sell/spin off Donatos. McDonald's changed its strategy and decided to focus on their core brand. Their original intent was to create a meal occasion strategy that included a brand portfolio of Hamburger, Chicken, Mexican, and Pizza.

I remember the day clearly. As my father walked into my office and sat down, I immediately said "Dad let's buy the company back from McDonald's, we have a destiny and we have great people who believe in our mission and promise."

I said I have the energy and the passion to do whatever it takes to get our company back. I will put everything I have back into the company. I will sell my house if I have to, but I know we have a destiny far greater than where we are today.

I told my dad that I needed his leadership and his vision. And in all honesty I also needed his money. I knew I didn't have enough money to buy the company back but I knew it was the right thing to do in order to fulfill our mission.

He smiled. Here is a 60 year old man who spent his entire life building two companies based on solid principles of goodwill being asked by his daughter to buy a company back. He didn't hesitate and he asked me if I was up for the task.

I didn't hesitate and said we could put a team of experts together and we would fulfill our destiny. People often ask me why I would put everything I had back into buying the company when I could have easily walked away and let things unfold. I believe there was a higher power at work in my life at this time. I believed in our Mission and I knew Donatos had a destiny.

What is your destiny? Are you putting everything you have into making it possible?

More People or More Leaders

Every unit, department, or organization if asked (many without being asked) will tell you they could use more people. Consider this:

*"Ten good soldiers wisely lead
Will beat a hundred without a head".*

- Euripides

Do you need more people, or more leaders (with the same number, or even fewer people)? Organizations often add (often many) people. The most successful organizations add leaders (often by developing them from within).

We don't know if the Greek author Euripides was correct in his multiple of 10 to 1, but leadership clearly provides a multiple. It did in ancient Greece and it will in your organization today. Consider this:

*"Good people wisely lead
Will beat any competitor without a head.".*

The Problem with Empowerment

“Power is based on perception – if you think you’ve got it then you’ve got it!”
- Herb Cohen, *You Can Negotiate Anything*

Our problem with the term empower is that it (by definition¹) implies that it is power given, or permitted. And power given can be taken away, sometimes quickly and often easily, especially when there is a change in leadership.

And if given by a leader, a follower may choose to not accept it. To us the key is the individual’s willingness to assume power. And if assumed, it becomes much more difficult to take away.

As Cohen says, it’s all in how you perceive it. If you think you have it, you do. And in reverse, if you don’t think you got it, even if it has been given to you, then you don’t have it!

How about you? Have you assumed power, or are you depending on (or waiting on) someone to give it to you?

¹ *Dictionary.com*

“We Need Job Descriptions”

“You are confined. Contained in a box called job description. Intended to make you accountable and containable, more often than not its net effect is to restrict you.

Some may protest:

‘Wait a minute! We need job descriptions. Without them everyone would be tripping over everyone else.’

Not so if we learn to *dance* together. On a dance floor, people are not boxed in, and they manage very nicely to avoid tripping over one another. If we are to achieve the quantum leaps the future seems to be demanding of us, we must risk to leave our containers-turned-cages and find the grace to dance without stepping on toes.

Others’ or our own.”

Gordon MacKenzie, *Orbiting the Giant Hairball* (p. 97)

Ethics by Example – Ethical dilemmas

Written by Bill Lhota, CEO of COTA and former AEP senior executive. *See Contributing Authors for more details.*

In early February 1938 President Roosevelt convened a meeting in the Whitehouse to begin discussions on constructing the interstate highway system. The President proposed two ways to pay for the project. One was to make the entire system toll roads. The second, and his favorite, was for the federal government to condemn a mile wide strip of property centered on the new roads and then sell off the property once the system was constructed and the property values appreciated.

The toll road proposal was eliminated when projections showed that tolls would only cover about 40% of the cost of the system.

The condemnation proposal brought in conflict two basic ethics principles. Utilitarianism ethics holds that those actions are good that serve to maximize human well-being. With less deaths and injuries on a modern highway system the project would certainly be ethical from a utilitarianism ethics perspective.

Rights ethics holds that people have fundamental rights that other people have a duty to respect. Some basic rights are the right to life, liberty and property. Clearly, if a mile wide strip of property were condemned, thousands of individuals would loose their property and this plan would be unethical from a rights ethics perspective.

The President's condemnation proposal created an ethical dilemma, we don't know exactly why, but the proposal was ultimately eliminated.

Conflicting outcomes from using various ethical theories is common. It takes appropriate care and consideration to arrive at the right decision.

No one ever said ethics was easy.

Ethics by Example – Project and protect your ethical culture

Written by Bill Lhota, CEO of COTA and former AEP senior executive. *See Contributing Authors for more details.*

There is now another reason (although it should not be needed) to have a good Code of Ethics and a strong ethics culture embraced by all leaders. The Securities and Exchange Commission (SEC) has issued their final rules on Whistleblowing.

Under SEC rules whistleblowers can now receive from 10%-30% of any fines assessed to a company, regulated by the SEC, for financial wrongdoing if they are the provider of “original information” to the SEC on the offense. Additionally, the SEC Investor Protection Fund, as of September 30, 2010, had a balance of \$452 million which will be used to pay awards.

Even if you are not involved in an organization that is regulated by the SEC, leaders must establish a “Tone” of good ethics and a culture where their peers and associates feel free to discuss any topic with them, at any time without fear of retribution. Better to solve issues internally and locally.

Interesting Assumptions

In *The Art of Critical Decision Making* course* taught by Professor Michael Roberto of Bryant University, he discusses the core assumptions of the management team at General Motors c. 1972 (as identified by USC Professor James O'Toole – some might be argued by GM). They are interesting:

1. GM is in the business of making money, not cars.
2. Success comes not from technological leadership, but from being able to quickly adopt innovations successfully introduced by others.
3. Cars are primary status symbols. Styling is therefore more important than quality.
4. The U.S. car market is isolated from the rest of the world.
5. Energy will always be abundant and cheap (note: this was just before the OPEC oil embargo).
6. Workers have no important impact on production or produce quality; that's the purview of inspectors, of engineers.
7. Consumer environmental and other social concerns are unimportant to the U.S. public.
8. Government is the enemy. It should be fought tooth and nail (can't help but note it was ultimately the government that saved GM from bankruptcy).
9. Strict, centralized financial controls are the secret to good administration.
10. Managers should always be developed from the inside and promoted from within.

As they say, *hindsight is always 20/20*.

What will be said in hindsight about your core assumptions of today?

*From *The Great Courses Transcript Book* for Professor Roberto's course (p.65)

“Take It”

In a classic Smothers Brothers skit, both are singing *Boil the Cabbage Down* when Tom turns to Dick and says “take it.” To which Tom replies “no.” Needless to say, the music stops as the audience laughs. Tom goes on to explain to Dick that he is obligated to take it, but with little success.

We can’t help wondering if we aren’t watching similar scenes unfolding, in our state and across the nation. But this time it isn’t intended to be humorous. Quite the contrary, it is resulting from very serious financial problems at all levels of our government. (Our intent is not to take sides in what is a hotly contested political debate, but instead to focus on the need for and challenges to leadership during these turbulent times.)

When our state leaders pass legislation altering the relationship between the workers and those in leadership positions in our local government and educational institutions, they are saying “take it.” The “it” isn’t a song, but the leadership that is needed to build the trust to move the relationship forward in new ways.

Many have heard those in government and education say their ability to lead has been hampered by union agreements, most often citing “negotiated” wage and benefits, along with automatic step increases (that often replaced merit). But what will they do when given the opportunity to lead? Will they “take it,” or will all the intended changes stop?

Surely some will gladly “take it,” but others may lack adequate preparation to lead? Many in government and education have been working under such agreements for so long they may have forgotten how to lead in a merit based culture. Others may have been attracted to their professions because of the union culture and may have little experience, or even desire, to “take it.”

It seems to us state leaders need to do more than pass legislation (you can’t create leadership by laws). In addition to the laws, we need to help leaders at all levels in government and education in developing their leadership.

We are doing our part in partnership with local leaders we have created our Next Generation Government Leaders Institute. It is a small step forward, but much more is needed.

Over the last several years we have had the opportunity to work with leaders from business, community, government, and educational institutions. We believe, if they were asked to “take it,” many would step forward to help those in government and education in their leadership development.

How do we begin? Who will lead?

Bringing Your Principles To Work - Compassion

In 2012, we challenged Jane Grote-Abell, Chair of the Board and Owner Donatos Pizza, to write a book based on her concept of Bringing Your Principles to Work. We are happy to announce that her book is due from the printer soon – [click here to pre-order](#). In anticipation, we'd like to rerun her series of leadership lessons that started as the outline.

If you were to take a personality profile and one of your core strengths happens to be compassion, the career choices presented to you are often reserved for medicine, nurses, doctors, non-profit organizations and even the teaching profession. It is rare to have a personality profile encourage a career as a lawyer, or entrepreneur, if your core strength is compassion.

The trait of compassion seems to be reserved for people who are going through a difficult situation, bereavement, or some degree of crisis. It takes a certain type of person to have the nurturing ability of a nurse, or a doctor, as well as work with people who have severe mental/physical disadvantages. But I don't think we should underestimate the need for compassion in leadership.

Compassion is the ability to act in fairness, with love and kindness. Shouldn't we express all of these traits with people in every circumstance?

While it is an easy principle, or character trait, to talk about, it can be difficult to follow in all situations. I must admit when one of our managers faces the threat of a burglary, or a driver a robbery, or we have to let someone go because they mistreated an associate, or a customer, or even stole money, it can be difficult to have compassion.

When people make decisions that are contradictory, or destructive, it is difficult to express compassion. People misinterpret compassion for acceptance of behavior. It doesn't mean that the behavior is acceptable, or that people are not held accountable. It is having compassion and accountability.

People must be held accountable for their behavior and actions, but we must learn to do it with compassion.

Bringing Your Principles To Work - Compassion: First Seek To Understand

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Since we all have different experiences in life and come from different paradigms, many people do not know how others would want to be treated in certain circumstances. It is a difficult task to fully understand how the other person would want to be treated when you haven't walked in their shoes.

I learned early on about compassion from my mother and father. My father was consistent with practicing this principle with every decision he made in the business. When my mother joined the business she brought along with her compassion. She truly embodied the ability to better understand what the person may have been going through in their life experiences.

My mother started our Human Resources department and created the expectation that we must first seek to understand then to be understood. We apply this principle in everything we do, especially when there were barriers for people to perform at high levels in the Donatos family.

Bringing Your Principles To Work - Compassion: Love Your Way Through It

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My best piece of advice in life, personally and professionally, was from my father - to “love your way through it”. He said this to me over and over again.

I learned that it is easy to love your way through life when there are no obstacles. However, when challenges arise and you are met with resistance, it requires compassion to love your way through the circumstances.

This doesn't mean taking the easy way out or to simply avoid talking about the difficulties in life and business. It means being honest, but with kindness. It means facing your fears with forgiveness and stretching yourself to take risks.

Talking about love in business is not a common core value that is expressed in describing how people must act in their daily lives. But it is important to recognize that if we aspire to love in life, in our work, and in our homes we must demonstrate the ability to show compassion.

Proven Leader – Learning and Reflecting

If you live in central Ohio, chances are that you have seen him on TV representing Huntington National Bank where he serves as President of the Central Ohio Region. You may also have seen him in the community where he applies his leadership serving in board positions, including several non-profits.

You may also have heard him speak on his favorite topic - Leadership. Jim says making presentations reaffirms his beliefs about leadership. It's his way of learning and reflecting. Here are a few highlights:

Leaders make or embrace change. Managers like Consistency and no change.

Great leadership begins with the person, not the position. People follow the leader, then follow the vision.

The best leaders talk about the future and how it will be better than the present.

And our favorite definition of leadership is Jim's (it's loaded with **key** words):

*Effective leaders are able to **consistently capture, hold and focus** the **attention** of people on the **mission** and their **individual** part in achieving it.*

***Consistency** – maintain constructive relationships with all associates.*

***Capture** – be captivating, energetic, enthusiastic, passionate, . . .*

***Hold** – maintain self-confidence and self-esteem of others.*

***Focus** – Always focus on the problem/situation – not the person*

***Attention** – simple messages, relentlessly repeated.*

***Mission** – breaking it down - day, week, and year.*

***Individual** – what is my part in achieving the mission?*

Beyond his presentations, this proven leader - **Jim Kunk** - is committed to sharing with others what he has learned and experienced by joining us as a **Founder of the Ross Leadership Institute**. If you would like to hear more from Jim, just let us know. More Founder introductions to come in the following weeks.

Note: readers of our daily leadership emails have asked after the change to Leadership Minutes on 11/1/12 - "what's next? Here's the answer.

Proven Leaders

Richard M. “Dick” Ross was president of Ross Labs, the nation’s leading manufacturer of infant formula, which began as a family business, M & R Dietetic, founded by his father Stanley along with Harry Moore in 1903. When Stanley passed away everyone assumed Dick would become the president, but as a hallmark of his leadership to come, he said he wasn’t ready. Eventually he did become president and his leadership extended well beyond Ross Labs.

Together, Dick and his wife, Elizabeth M. “Libby” Ross demonstrated tremendous leadership in the arts, education, and health care. Dick was an accomplished photographer who donated a large number of photographs to the Columbus Museum of Arts. In 1968, Libby became one of the first women to serve on the museum’s board of trustees and in 1975 became the first woman board president. Together, they received the Ohio Art’s Council Governor’s Award in 1991.

Libby continued their family tradition of philanthropy when Dick passed away in 1993. A committed community leader, Libby served on the boards of Children’s Hospital and ProMusica (president in 1985 and 1986). Her gracious leadership to many organizations will continue long into the future as she created the Ross Fund at the Columbus Foundation in 1995. Libby was recognized for her leadership in the community with the Columbus Foundation’s Harrison M. Sayre Award in 1999.

In recognition of the major impact these two leaders have had on our community, we are pleased to announce the founding of the **Ross Leadership Institute (RLI)**.

Who are the Founders of the Ross Leadership Institute? They are proven leaders who have reached a point in their leadership development where they too want to share with others what they have experienced and learned. As Founders they have come together to establish the Institute, remain committed to guiding its future, and acting as resources in providing leadership responses.

In the weeks ahead, we will introduce each of our (14) Founders, share our mission, develop a RLI web site (rossleadership.com), and identify our (initial) resources. And, we are pleased to announce a Ross Leadership Institute Fund has been established at the Columbus Foundation to support our efforts. As the saying goes, “stay tuned.” There’s a lot more to come.

You know Jane Grote Abell, Chair and Owner, Donatos, as the author of our very successful leadership series based on her book (currently being written). Today’s Leadership Minute focuses on Jane as a Proven Leader, a Chief People Officer, and . . .

After years of working in the stores making pizzas through high school and college, Jane joined the company full-time in 1988 after graduation. She began in the Training Department, but with a young child at home she moved to the Human Resources Department where the hours would be more predictable than the nights and weekends in the stores.

Lacking experience, or any education in the area of Human Resources, Jane attacked the position with the passion that would be her hallmark throughout her career. Little did she realize at the time, her ability to look at HR with no preconceived notions, a “clean sheet of paper,” would allow her to create what would become the role of Chief People Officer.

What is the difference between a Chief People Officer and a Human Resource Manager? No one describes it better than Jane. Here’s what she says:

“I believe there are many characteristics that set apart the two roles. A Chief People Officer should be a partner to the CEO. There should be a certain level of trust between these two roles that you won’t find in other positions. The role of a Chief People Officer is to set the stage for creating a culture with a soul.

It is the responsibility of the entire leadership team to carry out the Mission. But it is the role of the Chief People Officer (CPO) to chart the journey by giving the organization a road map for success through people. The CPO’s responsibilities are to attract and choose the right people who are aligned with the core values of the company; to train, retain and develop the talent, to provide guidance on benefits, and to charter a succession plan. These are all important aspects of a successful, people first, organization.

Not all Human Resource professionals can be Chief People Officers. The difference is in how the leadership team acts. It isn’t in the position, or the title. It is about actions. It is having the courage to do what is right, because it is the right thing to do for the people. It is about the grey areas in business. It is engineering the systems for people development and growth. It is how we handle difficult conversations. It is about having people in leadership positions that truly care about people and holding the CEO accountable when behaviors are not in alignment.”

Jane Grote Abell, Chief People Officer, Chair, Owner, a Proven Leader, and . . . a **Founder of the Ross Leadership Institute**. “Stay tuned” as we introduce each of our Founders in the weeks ahead.

Ann Gallagher has been recognized by Women for Economic and Leadership Development (WELD) as a 2012 “Woman You Should Know,” and was recently invited by the White House to share her insights on business issues and the economy. She was named a “Forty under 40” leader to watch by *Business First*, and has been awarded for her volunteer efforts for a variety of community causes.

If you don’t already know, Ann is president of Gallagher Consulting Group, where she works with executives and organizations to achieve career and profit goals. With almost two decades of communications and strategic consulting experience, Ann has worked with a variety of groups including *Fortune 500* companies, trade associations, non-profits and public sector entities.

Once you get to know her, you will find her advice is simple, straight forward, and effective. Here’s a sample (in her own words):

It’s tough out there. We get that. You need to make money. We really get that. So what should you do now?

It’s time to . . .

Get a Plan.

If customers, employees and shareholders know where you are going, they will stay with you. If not they will run for the hills.

Get real.

Measure the return on investment (ROI) of everything you do, from your staffing costs to the brand of coffee you buy.

Get naked.

Transparency is here to stay. Employees crave it, investors admire it and consumers demand it.

Get connected.

No matter what the economic climate, relationships will always be the most valuable business currency.

Get the scoop.

Ask for feedback. Are you still relevant?

There’s another reason you should (and will) get to know **Ann Gallagher**. She is also a **Founder of the Ross Leadership Institute**. “Stay tuned,” as we introduce more Founders in the weeks ahead.

We have all heard the saying **it happens, in a variety of formats and circumstances. As leaders we know that no matter how well prepared we are, **it happens and often it is outside our ability to control. And hopefully, when it happens to those we are responsible for as leaders, we are understanding and sympathetic.

When **it happens, the best we can do is correct it (if possible), learn from it (that's always possible), and move on. That's our leadership message for today.

And now let's talk about the reason we wrote it. Last Thursday while sending our Leadership Minutes to you, **it happened. For some reason emails that have previously been successfully sent, started showing up as blocked and in large numbers.

When we checked with the great "tech wizards" the best answer we can get is **it happens. And it did again on Friday. We took corrective action and began sending them from a new account. We think that helped, but didn't completely eliminate the problem.

**it (most likely will) happen (again). So we can learn from it. And we have.

If you ever do not receive your daily Leadership Minute, please let us know by email debbie@rossleadership.com so we can get you back on our list. If **it happens to someone else you know, let us know too.

We don't want the **it that happens result in losing you.