

Leading and Learning, Inc. is an **organizational management consulting firm**. We are a firm of 35 professionals who work with CEOs, leaders on issues of organizational change, leadership development, and personal, professional effectiveness. Our experts in the fields of business, education and health care work with leaders in a wide array of corporations and organizations – **banking, manufacturing, utilities, hospitality/ entertainment, hospitals/health systems, technology/aerospace, service industry, government.**

**EACH MONTH** Dr. Billie Blair, President of Leading and Learning, Inc. writes an article for Lead-Zine that focuses on the variety of ways that executives and other managers are to be assessed and evaluated on their leadership abilities. This month, Dr. Blair is focusing on the topic of the leader's ability to adjust to the marketplace realities of the 21<sup>st</sup> Century.

◇ Additional Articles on the specific topic of assessment of leaders have been invited and are included on the pages that follow.

*Authors include :*

- Justin Menkes, Author of EXECUTIVE INTELLIGENCE
- Luis Rivera, CEO, J.L.Halsey
- Kevin Eikenberry, CPO, Elkenberry Group
- Allan Cohen, Edward A. Madden Distinguished Professor of Global Leadership, Babson College
- Max Acosta-Rubio, CEO, Onestop.

*Dr. Blair's latest book*

**ALL THE MOVING PARTS:  
ORGANIZATIONAL CHANGE  
MANAGEMENT**

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**SEPTEMBER 2007 – “Change Strategies For the 21<sup>st</sup> Century – Diversity of Customer Base”**

**BILLIE G. BLAIR, PHD** Important customer bases of the future will be highly diverse – from generational diversity to global-racial-ethnic-demographic diversity. These population changes will require businesses to develop wholly-new marketing and service strategies that are both comprehensive and focused.

► **The Cultural Components of Marketing and Selling** –

There will be a need to accommodate different preferences and buying habits of the new markets. As companies have become more global, there have been great learning experiences derived. Organizations that stay in business in the 21<sup>st</sup> Century will need to attract a more diversified customer base by understanding the purchasing motivation and cultural perspectives represented in the country.

Businesses that are ensured the success of a business future will be those who can understand the preferences of a new, large group of consumers and incorporate consumers' specific needs into business offerings.

► **The Generational Customer Components** – The establishment of a new, diverse customer base must also take into account the new cross-generational phenomena of the U.S. For the first time in our country's history, we not only have four generations of active participants in the workforce but also four generations of buying power in effect.

► **Take-Aways for Businesses** – A diverse customer base will be necessary to your company's successful operation.

▲ Customer diversity will take two basic forms – both of which are highly important and present different production and marketing challenges. ▲ The first, relates to the increasing racial and ethnic diversity of consuming populations within the U.S. Population ratio changes over the past 20 years portray a new consuming public. ▲ Age ranges of the consumer base have changed dramatically in the last 15 years and form the second type of customer diversity. In the past it was said that anyone over 55 ceased to buy durable goods. With Boomers now encompassing that age range that is no longer a valid marketing precept. Another age-related point of interest is that the Boomer generation will be exceeded in buying power by the generation that is now between the ages of 2-22. Thus, in a very short period of time the two largest concentrations of buying power will be at the two extremes of the generational spectrum. ▲ Savvy businesses will create strategies for reaching out to these new, robust groups.

***THE LEAD-ZINE HAS  
EXPANDED TO MULTIPLE  
PAGES!***

***IN THIS ISSUE***

***ENJOY THE WRITINGS OF  
AUTHORS WHO DISCUSS  
VARIOUS***

***Business and Management  
Issues***

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**WHAT ALL GREAT LEADERS HAVE:  
EXECUTIVE INTELLIGENCE**

**Justin Menkes, PhD**

Why is it that some businesspeople lead so effortlessly, while others struggle trying to find the right ways to create strategy, solve problems, motivate, and manage? Based on nearly a decade of research including interviews with outstanding CEOs, such as Jack Welch and Andrea Jung, the process by which top leaders accomplish their work is threefold:

▲ **Accomplishing tasks:** Executives who do this well are able to effectively question underlying assumptions, and anticipate unintended consequences of various tactics. They appropriately define a problem, and differentiate essential objectives from less relevant concerns. They also anticipate likely obstacles to achieving objectives and identify sensible means to circumvent them.

▲ **Understanding people:** Executives who handle interpersonal situations well are able to recognize underlying agendas; gauge how these agendas may conflict with one another; and anticipate the probable effects and likely unintended consequences of a chosen course of action. They understand how those involved will likely react, and they weigh this information appropriately in their responses.

▲ **Judging oneself:** Recognizing one's own mistakes and minimizing the costs of these missteps is crucial for business and career success. Those who can do this well seek out and encourage constructive criticism and use it to make appropriate adjustments to their plans of action. When they blunder, they are quick to see their mistakes and change course to correct the problem.

The aptitudes that make up Executive Intelligence can be practiced and improved. This form of intelligence is not static and finite. People can enhance their abilities to perform well at work. But first they need to know what the specific aptitudes are that they should improve. My research gives people a roadmap for sharpening these skills. Offering a new approach to understanding top business performance, allows the "magic" behind exceptional leadership to be demystified.

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**AFTER A MERGER, ACQUISITION OR RAPID  
GROWTH: A NEW IDENTITY?**

**Luis Rivera, CEO, J.L. Halsey**

Any organization experiencing fast growth will bump up against the inevitable identity crisis. Whether the growth is triggered by merger, acquisition, huge new client win or an

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industry boom – the first task for the organization’s leader is to create and maintain a single vision for the new entity, so that everyone from management to the receptionist knows what they’re working for and why. *What’s required in an evolution of corporate culture?* When either two or more cultures merge into one, or when a small company increases to a much larger one, a leader must understand that culture can’t be dictated, but must be grown and nurtured.

The leader must quickly move to install the right people in management positions – bringing new people in and moving existing players in roles better suited to their experience and strengths. These actions are especially critical to apply in smaller companies, where there is a higher level of criticality related to the roles of management staff.

With solid leaders in place, the new management team is ready to define the culture of the new organization. This is easier when a company that enjoys a dominant position in the marketplace – such as a Google or Oracle – acquires another because in these instances, the more powerful company’s culture naturally dominates. But when two companies of equivalent stature and size come together (or when a company simply outgrows its identity), it is necessary to create a new culture. And, this requires commitment and vision from the top. There will be a practical, integrating of organizational structure and processes but also the vision to establish a well-defined identity is required. Given these two components, the result will be a robust organization that is ready to grow and prosper. *Luis Rivera knows of what he speaks, as his company has acquired four leading marketing software companies in the last two years – Lyris Technologies, EmailLabs, ClickTracks and Hot Banana.*

### **ASSESSING YOUR LEADERSHIP BENCH STRENGTH**

#### **Kevin Eikenberry**

Never before has it been so important for us to assess the strength of our leaders waiting in the wings. Your current leaders are being wooed by other organizations and are also growing older. Research shows that by 2010 there will be a shortage of 10 million workers in the U.S., and the greatest shortage will be in the leadership areas.

To be well-stocked with effective leaders both now and in the future, begin with assessment.

These seven questions can be asked to assess the leadership skill potential of those in your organization:

- 1 – Are they being monitored and supported in their leadership roles? Some people exhibit leadership tendencies, regardless of their job title. Others seem uncomfortable after having the title for years.
- 2 – Do they exhibit leadership in other capacities? Are your future leaders involved outside of work, using and developing their leadership skills in other areas and venues?
- 3 – Do they seek development? Are leaders and future leaders active in their own self development, learning in both formal and informal ways, even on their own time and expense?
- 4 – Are they willing to learn other parts of the business or organization? Leaders see things with a larger perspective. Do they look beyond their current role, assignment and department?
- 5 – Do they ask questions? Are they curious about others, the business and the future?
- 6 – Do they build relationships? Are they actively building more and deeper relationships with others inside and outside of the organization?
- 7 – Are they a good fit in your organization? Even though they might meet other criteria, the leadership fit should also be right for your organization’s culture and needs.

### **ASSESSING LEADERS - Allan R. Cohen, PhD**

◆ Assessing leaders is difficult because the nature of leadership requires sometimes going against the grain, ignoring advice and forging ahead. The problem is that it won’t be clear whether or not the leader was brilliantly foresighted or just pig-headed until after the results are in, which might not be for some years. Because of this difficulty, leaders often get judged on short term results, which may not truly reflect the value of what they have done. Great leadership requires balancing the need for near term results with investments in the future, yet the judgment of a leader’s performance may have to be done sooner. It is easier to assess in hindsight than in real time or as predictions of future performance.

◆ Another option that is frequently used is to judge the leader on the basis of style or process. This has two difficulties: it is possible for leaders to be highly effective even though their style is not particularly impressive and vice versa, because styles go in and out of fashion. Tough guys were seen as heroes 10 years ago, but are now seen as embodiments of Chainsaw Al. Those who are good at involving others and sharing responsibility are sometimes seen as just what is needed in complex times, but, at times, get written off as too needy of approval to make tough decisions. Thus style is better utilized to judge fit with the organization than to judge leadership accomplishment.

◆ Almost all effective leaders have had crucible experiences where their confidence and skills were forged in extremely difficult situations and where they were in over their heads and still succeeded. In assessing for leadership, probing candidates for these learning experiences can be useful.

## ANOTHER VIEW ON ASSESSING LEADERS

### Marx Acosta-Rubio, CEO, Onestop

In order to assess leaders, we must first accurately define the act of leading. Basically, leadership is having the ability to challenge the beliefs and behaviors of others in order to achieve a desired outcome or result. A leader is one who influences people in order to attain a certain result.

One can be a leader of few, having the ability to influence a handful of people determined to make a relevant difference to the status quo. Then, of course, there are the great leaders who have the ability to change the world by influencing many.

What makes great leaders? There are six key attributes that set leaders apart from followers. These key traits include: vision, long-term strategic thinking, communication skills, flexibility, the ability to simultaneously measure two opposing points of view, and congruency.

- Vision – A great leader knows how to create plans that are visually dazzling offering a clear picture of both the path and the outcome. Simply put, a leader paints a clear picture of the desired outcome which is compelling enough to instill a reason in others as to why it has to be achieved.
- Long-term strategic thinking – Leaders think long term. It is easy to get caught up in the day-to-day issues and make wrong choices. Being able to make right choices in the short-term, depends almost entirely on holding a clear picture of the long term. Being able to understand the long term consequences of the decision and actions are the only way that leaders can judge right and wrong aspects.
- Communication skills – Leaders are clear communicators. They have the ability to clearly and persuasively communicate to their stakeholders why and what they are trying to achieve.
- Flexibility – Leaders must also be flexible enough to change tactics and re-think their plans if these are not working. Without flexibility, one can get stuck in the process and lose sight of intended end results.
- Simultaneously Measure Two Opposing Views – Leaders are those rare individuals who can hold two opposing concepts in their minds and see a third alternative. This level of creativity is a distinct advantage in a leadership role.
- Congruency – Leaders who are congruent with their beliefs are able to convince stakeholders of their veracity and viability.

The age-old question of whether leaders are born or made is still a highly-intriguing one. Most aspiring leaders want to hear that leadership is something that everybody can attain, and that everyone has the seeds of greatness residing within. However, I believe that leadership is not attainable by most people. There are many who do not aspire to leadership roles, but for those who do, my belief that situations make leaders, but only if they already possess the potential for leadership. Some leaders have actively sought their leadership roles and others have been thrust into them by circumstances. The reverse situation is also true, of course – there are those who possess all six of the leadership qualities and chose not to use them in formal leadership roles.

We have all experienced failed leadership, either of others (typically our bosses!) or ourselves. In observing others' leadership failures, we have often questioned why they did not respond differently to the challenges, and the answer, from my experience, is that they did not because they could not. And I believe that this is because those who struggle and fail at leadership do not have the ability to see and understand the basic concepts that undergird the actions related to leadership. When one assesses these leaders on the six measures of leadership, they frequently are lacking one or more of these key elements. Research studies indicate that only 3 percent of the population can become leaders.

How do we recognize and help hone these skills? Assessing for ability based on the six attributes is the first step. A second step is to help those who we coach to see their true potential. And, a third step is to assist those who possess degrees of the six attributes to enhance and refine their skills on each of the indices.

A leader is measured on results which form the soundest method for assessing if a "leader" is indeed a leader.