PRACTICAL LEADERSHIP

Managing Things and Leading People

Attaining a balanced performance triangle

BY JIM CLEMMER

he terms "management" and "leadership" are often interchanged. In fact, many people view them as basically the same thing. Yet management is as distinct from leadership as day is from night. Both are necessary for a highperformance organization. By contrasting them and understanding their differences, we can better balance and improve these essential roles.

One key distinction between management and leadership is that we manage things and lead people. Things include physical assets, processes, and systems.



JIM CLEMMER IS A KITCHENER-BASED KEYNOTE SPEAKER WORKSHOP/ RETREAT LEADER ON PRACTICAL LEADERSHIP email: iim.clemmer@clemmer.net People include customers, external partners, and people throughout our team or organization (or "internal partners"). When dealing with things, we talk about a way of doing. In the people realm, we're talking about a way of being.

In The Clemmer Group's consulting and training work we often add a third element - technology - to management and leadership to form what we call a "Performance Triangle." This adds anoth-

er dimension to the question, "how should the organization's focus be allocated to each area?" While apparently simple, the question is often a very difficult one to answer, since there is no universal formula that applies to all organizations. Some need more technical skills or better technologies. Others need the discipline of better systems and processes. Most need a lot more leadership.

The triangle depicts the balance between the three critical success factors. Imagine a pendulum swinging in the center of the triangle. It's very difficult to keep the pendulum in a state of equilibrium. In some cases, organizations may need to swing the pendulum in one direction because that's where it's weakest. For example, entrepreneurial start-up companies often have strong vision, passion, and energy (leadership) and may also have good technological or technical skills. But their lack of systems and processes or poor management discipline leads to a lot of errors, poor service/quality, and frustration for customers and people in the organization.



The most common weakness, however, is in leadership. The triangle illustrates that a well-balanced organization has leadership at the base. This allows management and technology to serve rather than enslave producers,

Unfortunately, many people in so-called leadership positions aren't leaders.

servers, and customers.

Another complicating factor is that needs are easily misidentified. For example, we have found that most organizations have communication problems of one kind or another. Often these are seen as leadership issues. Many times they are. But just as often the roots of the problem are intertwined with poor processes, systems,



COMPLEMENTARY STRENGTHS:

Management Leadership Processes People Facts Feelings Intellectual Emotional Head Heart

Position power Persuasion power

Control Commitment Problem solving Possibility thinking

Reactive Proactive

Doing things right Doing the right things

Rules Goals Vision

Values

Light a fire under people Written communications Standardization

Stoke the fire within people **Verbal communications** Innovation

or structure - all of which are management issues.

While it is important to recognize the differences between leadership and management, it is also important to appreciate that the two have complementary strengths, as well. Trying to run an organization or lead a team with only leadership or management is processes, and technologies don't enable them to perform well, they won't. Developing the discipline and using the most effective tools and techniques of personal and organization systems and processes is a critical element of high performance.

As the push toward teams, "engagement", and participation intensifies, many more daily management tasks must move to the front lines where they belong. So leadership becomes even more critical. Unfortunately, many people in so-called leadership positions aren't leaders. They're managers, bureaucrats, technocrats, bosses, administrators, department heads, or even "snoopervisors."

Do you like to be managed or led? You're not alone. Very few people want to work for a manager. Most of us would much rather be led by a leader. To manage is to control, handle, or manipulate. To lead is to guide, influence, or persuade. You manage things - systems, processes, and technology. You lead people. The roots of the rampant morale, energy, and performance problems found in many organizations are managers who treat people as "human resources" (another set of assets with skin wrapped around them) to be managed. If you want to manage someone, manage yourself. Once you master that, you'll be a much more effective leader of others.

The roots of the rampant morale, energy, and performance problems ... are managers who treat people as "human resources".

like trying to cut a page with half a pair of scissors. Leadership and management are a matched set; both are needed to be effective.

Systems and processes (management) for example, are critical to success. You and your organization can be using the latest technologies and be highly focused on customers and those serving them (leadership), but if the methods and approaches you're using to structure and organize your work is weak, your performance will suffer badly. People in your organization can be "empowered", energized, and enlightened; but if your systems,





FROM THE GROUND UP

The Changing Face of Waterloo Region

We need to welcome newcomers home

BY SUNSHINE CHEN

•n our cities and our communities, it looks as if the very shape of the Region is changing before our eyes. There are new university campuses and schools ▲ where there were once factories, loft condos where there were assembly lines, research and business parks where there were cornfields, big box stores where

there were farms, and more and more houses in larger and larger residential subdivisions everywhere. Malls are expanding, businesses are growing, and more people are coming here to make a better life for themselves than ever

Attracted by the emerging opportunities within the Region, the people coming into the community may, themselves, ultimately be a more substantial force for



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change than any other changes happening to our institutions, governments, businesses or in the changing landscape and fabric of our cities. The many different faces from around the world that can now be seen on our city streets will profoundly change the face of Waterloo Region in the foreseeable future. The question for us as a community is whether or not we will embrace this opportunity to welcome and accept these new faces, and invite them to really be part of this community to help build and evolve a more culturally diverse, vibrant, prosperous and global Region; or, will we ignore these newcomers and the emerging issues and opportunities that they bring with them by continuing with business as usual arguing over the same old arguments and debates that the Region has always had since its inception.

Based on data collected from the last census, regional and national studies on immigration are painting a remarkable picture. Waterloo Region is now the fourth largest centre of immigration in Canada. Currently one in five residents of Waterloo Region were born outside Canada, and this number will become one in three

within the next 25 years. In the future, 90% of Canada's population growth and 100% of its labour market growth will come from immigration. India, Romania and China have consistently been the country of origin for most of the immigrants to the Region in the last seven years.

With the regional municipality's own planning projections predicting that Waterloo Region will grow from 500,000 to almost 750,000 people within a generation, practically all of that projected population growth will be due to the arrival of newcomers. This will almost certainly affect every aspect of how we will work, live, and enjoy life in the Waterloo Region of tomorrow.

We cannot predict what that Region of tomorrow will actually look like, or foresee what the central issues will be. However, if we look at the issues emerging today, the seeds of the major challenges and opportunities facing newcomers to the community are already being sown and taking root. Finding good employment, getting qualifications and credentials for foreign-trained professionals, adapting and adjusting to new cultural values and social norms, dealing with generation gaps between first generation immigrants and their children, living in decent housing and good neighbourhoods, getting proper health care, attending better schools, getting a good education for their kids, taking care of aging parents, integrating with the community - in short, many of the issues that are important to newcomers are the same

Important message to all

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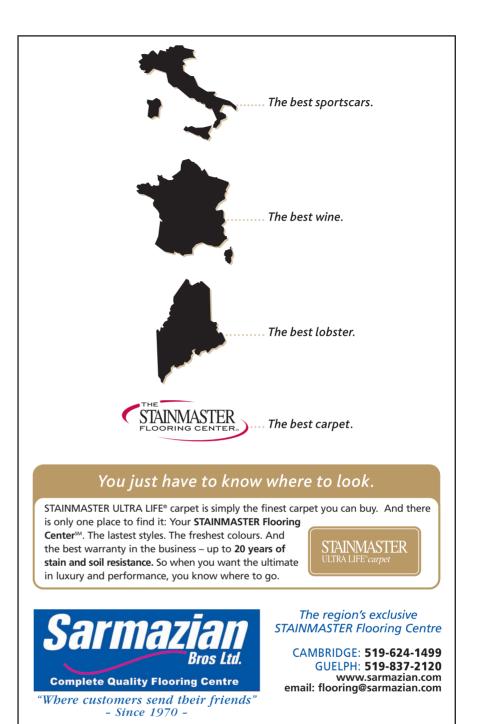
issues important to everyone who has lived here their entire lives.

Within our community, there are already many great organizations and support groups working to welcome and help newcomers and immigrants to the Region. The New Canadian Program, KW YMCA's Cross Cultural & Community Services, The KW Multicultural Centre, Waterloo Region Immigrant Employment Network, The Mennonite Coalition for Refugee Support, to name just a few, are all doing their best to help newcomers find work, settle in and make the transition to life in Waterloo. But while these organizations are doing exceptional work, there needs to be a much more fundamental repositioning of how we view and treat newcomers.

There needs to be a much more fundamental repositioning of how we view and treat newcomers.

It is not enough to see them only as another issue to be dealt with, or a cause to champion, or a special interest group whose opinions need to be heard, or a charity that needs some help. We can't single them out, separate them into distinct neighbourhoods and let them host parties and festivals, so that we can pat ourselves on our backs and feel good about our tolerance and our appreciation for "cultural diversity".

We need to see that a newcomer's ability to succeed in our community is a chance for us to succeed as a community as a whole. The future success of our local institutions and enterprises will depend on our Region's ability to succeed globally. Our local colleges and universities will need to attract more international students and teachers. Our new centres of thinking and research will need more international scientists and researchers. Our local economy will need to attract greater international investment. Our local companies will need to develop and succeed in emerging global markets. In a way, Prime Minister Mackenzie King understood this 60 years ago, when in his speech about the newly





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proclaimed Canadian Citizenship Act, he declared: "As Canadians we have a national citizenship, a Commonwealth citizenship and a world citizenship. Each carries with it a certain responsibility which it is our duty to recognize and our privilege to assert."

What is remarkable about the changing face of Waterloo Region is that as newcomers arrive and become local residents, they give us an opportunity to become truly global citizens in our very own global village. We must not see them as visitors or guests needing or deserving some kind of special hospitality. Instead, we must invite them into our collective regional home and ask them to join our collective family. We need to ask them to bring the richness of their various backgrounds and experiences to play a role and actively share in the responsibilities of taking on the challenges and opportunities for shaping and reshaping our Region so that they too will share in the successes - and failures of our community.

We need to show that newcomers to our community are welcome to belong here in Waterloo Region.

It is sharing in a sense of belonging that American historian Robert A. Caro eloquently portrays when he says: "You say 'what is a City?' Well a city is many things, but one of the things that a city is, is a home to its people. If you think of the great cities of history, Athens is glory... Rome is grandeur, or power... Paris is culture. What is New York? New York is a home. New York's great gift to the world was that people from all over the world could come here, they could create their own communities, their own neighbourhoods. So people felt a sense of community, a sense of belonging, a sense of neighbourhood. That's really the basis of human endeavour; if people feel as if they belong, they can go on to other things."

We need to show that newcomers to our community are welcome to belong here in Waterloo Region.In short, we need to welcome them

GOOD GOVERNANCE

Strategic director recruitment

Building boards with integrity, competencies, capabilities and motivation

BY JOHN T. DINNER

irector recruitment is often event driven: the annual meeting is fast approaching; there are vacancies on the board that need to be filled; quick consideration is given to who can immediately be tapped into serving as a Director or who owes the organization some sort of favour. It's not surprising that many boards don't feel they're ideally equipped to fulfill their responsibilities.



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The Canadian Coalition for Good Governance places great importance on how directors find their way to the boardroom. In their highly regarded governance guidelines, the Coalition notes that the single most important corporate governance requirement is the quality of directors. By quality, the Coalition is speaking to the integrity, competencies, capabilities and motivation board members need to carry out their duties.

Many boards' efforts to recruit a strong board team are undermined by a governance model that limits the ability of recruit board members in a strategic manner. Many constituent based boards, where various stakeholder groups have a right to representation, must compromise on their ability to recruit individuals with other important attributes. Many governmental agencies rely on ministerial appointments to populate their boards. Often, the end result is a group of directors whose skills, experience and other attributes lack any sort of thoughtful and complementary construct. However, many such boards fail to identify what opportunity may exit to influence the director appointment process and so acquiesce (as boards often do on so many important matters).

Successful boards require a carefully considered mix of skills and experience, as well as individuals with shared values who can support, contribute to, and complement a productive Board/Staff dynamic. When viewed as a 'board team', it's important to have 'bench strength' and 'position players'. This only results from a disciplined process to leverage opportunities to recruit new board players to reflect emerging issues and opportunities.

Boards need qualified individuals with sound judgment, senior level perspectives, integrated thinking, deep functional or sectoral experience (accounting, legal, and other expertise), strategic competencies, and personal qualities of honesty, integrity and commitment. Other considerations to take into account are board diversity as a means of reflecting the marketplace in which the organization functions (gender, international, ethnic diversity, etc.).

Working within whatever restrictions may be required by such things

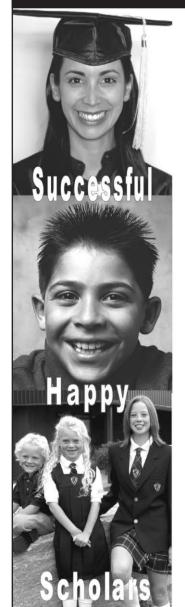
It's not surprising that many boards don't feel they're ideally equipped.

as the organization's by-laws, boards should consider undertaking a fourstep process to help ensure an optimal mix of skills and experience:

- Step One Required Skills and Competencies: Consider what competencies and skills relative to the organization's strategy the board, as a whole, should possess. In doing so, the board should recognize that the particular competencies and skills required are unique to that organization and are not necessarily the same as those required for another
- Step Two Assess Skills and Competencies of Existing Directors: Assess



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what competencies and skills each current director possesses. It is unlikely that any one director will have all the competencies and skills required by the Board. Instead, the board should be considered as a group, with each individual making his or her own contribution. Attention should also be paid to the personality and other qualities of each director, as these may ultimately determine the boardroom dynamic.

- Step Three Identify Skill and Competency Gaps: Based on the assessment and existing skills and competencies and the needs of the Board going forward, identify those gaps that exist.
- Step Four Communicate Skills and

Your board deserves highly skilled and participative board members.

Competencies Needs: As part of the director search or nomination process, communicate those skills and experience the board needs and request that those putting forward prospective candidate names do so with these needs in mind. An explanation should be provided on the nomination forms how the particular candidate satisfies these needs.

To further guard against falling into the nominations timeline track, boards can plan for ongoing director succession by:

- maintaining a 'matrix' of director talents and board requirements to identify skill gaps on the board;
- building an 'ever-green' list of prospective director candidates to ensure outstanding candidates with the needed talents can be identified to fill planned or unplanned vacancies; and,
- planning for director succession well in advance to enrich and deepen the pool of potential candidates.

It's very important to keep the perspective that your board deserves highly skilled and participative board members. Don't erode your goals by believing the lie that you are lucky to get anyone at all!.

GUEST COLUMN

The Hidden Cost of Denial

Why you need to plan for the future of your art and antique assets

BY MICHAEL MENDELSOHN WITH PAIGE STOVER HAGUE

ccording to the Social Welfare Institute at Boston College, \$41 trillion in assets will be passed intergenerationally by 2052. Based on a conservative estimate of leading dealers, auction houses, and major trust companies, \$4 to \$6 trillion of this amount is projected to be in art and antique assets. Yet, despite



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the vast amount of wealth in the area of art and antiques, advisors rarely work with their collector clients to create a disposition plan for their collections, and generally these assets are glossed over in the estate planning process.

Failing to plan can end up costing your heirs as much as 70% of the value of your collection at the time of your death if items are sold through traditional public sales channels without the proper plan-

ning. Advisors have a fiduciary responsibility to protect and preserve the value of your assets. My prediction is that it is just a matter of time before an advisor is called on the carpet by an angry heir, who, if motivated and knowledgeable, is willing to sue based on the financial loss of the collection's value.

The failure of the advisory community to contemplate arts and antiques assets is an odd phenomenon. I have examined the data intake questionnaires of several of the top estate planning law firms in the United States and, without exception, there has not been a line item inquiring about art, antiques, or collectibles. Art and antiques assets are traditionally lumped into the tangible personal property line item on the intake questionnaire.



The problem is exacerbated by the reluctance of collectors to discuss these assets with their advisors. This happens sometimes because the collector does not view herself as a collector - she thinks she has just accumulated "a bunch of stuff." In other situations the collector is reluctant to discuss these assets because she prefers to keep them under the radar screen, because of "empty hook" estate planning that has gone on in previous generations.

Most collectors, however, don't view their art and antiques as investments or assets that have long-term financial value. Most of us collect because we

Most collectors don't view their art and antiques as investments or assets that have long-term financial value.

love the piece, not because we're looking at the future internal rate of return or how much we'll make at the time of the sale. In fact, the very idea of selling a piece in the collection at any time during our lives is like asking to sell a child!

At the very least, even though many collectors don't see the collection as an investment, they need to be aware of



the financial value of the collection and how it can be used to create wealth for loved ones, cash for them-

You can enjoy the beauty of the art while it appreciates in value, free of current taxes.

selves, or a legacy into the future. If properly planned for, a collection can become as good an investment as anything else you will invest in - maybe better, because you can enjoy the beauty of the art while it appreciates in value, free of current taxes.

Excerpted from "Life Is Short, Art Is Long - Maximizing Estate Planning Strategies for Collectors of Art, Antiques, and Collectible Assets," by Michael Mendelsohn with Paige Stover Hague, to be released March 2007 by Wealth Management Press.

On Assignment

The Buzz on Buzzwords

Language should be alive but it should also be precise

BY PAUL KNOWLES

the guy was dead serious. He was announcing to a roomful of media types that a major project has been completed at the Florida hotel he represents. I had no problem with his intention, but his choice of words... in the broadest sense... was interesting.

"We have completed," he said, leaning into the mike, "the upscaleization."

"Upscaleization". At least, I think that is how it would be spelled, if it were a word, which I am pretty sure it is not.

> Or wasn't, until the hotel rep sent it spinning out into the public domain.

> The problem here is, words matter. Of course, language is a living and creative thing - as a writer, if I don't believe that, I may just be in the wrong business. But language should also be precise - the Alice in Wonderland argument that my words mean exactly what I want them to mean does not hold up.



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Arbitrarily creating words like "upscaleization" is not a very good idea. Being sloppy with language never is. I was browsing on this publication's excellent website (exhangemagazine.com) this week where I discovered a survey on a related



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theme: "overused lingo". This report, from The Creative Group, reflected the opinions of 250 advertising and marketing executives. They were asked, "In your opinion, what is the most annoying or overused buzzword in the creative/marketing industry today?"

Take a moment to answer that question, yourself. Now, consider their list:

"Outside-the-box; Synergy; The big idea; ROI; Paradigm shift; Strategy; Integrated solution; CRM (Customer relationship management); Customer-centric; Voice of the customer; Critical mass; Buzz; Make it pop; Break through

"When professionals find their communications laden with buzzwords, they should consider how they might convey their thoughts more clearly."

the clutter: Take it to the next level: Innovation; Free value; Organic growth; Low-hanging fruit; It is what it is."

"Because buzzwords are so prevalent, it's easy for people to incorporate them into their vocabularies," said Dave Willmer, executive director of The Creative Group. "When words or phrases become overused, however, they can lose their impact and appear clichéd."

Willmer noted that the strongest communicators keep the message simple: "Direct, concrete statements typically are the most powerful and persuasive. When professionals find their communications laden with buzzwords, they should consider how they might convey their thoughts more clearly."

Words matter. If you want to communicate clearly, avoid buzzwords, clichés, and, unlike my Floridian friend, don't make up new words.

But sometimes the error is one of judgment or logic; it was neither buzzwords nor arbitrary word-creation that created the linguistic problem on the sign I saw recently on a wall above the urinals in a restaurant's men's room. It read (I quote, with careful precision): "Timed Flush. Do not touch knob. Thanks, management."



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