



A. C. Macris Consultants

UPDATE

Summer 2002

Highlights

The Great Experiment

This article relates a summer learning experience for several young people. The purpose of the article is to illustrate how fundamentals of business success are just that—'fundamentals.' The article discusses what business really is and what it isn't, how a good reputation can quickly change, and how trust, leadership and initiative play such an important part in the success of any business.

Leadership Excellence

John Haskell has been a regular contributor to UPDATE through the years. His article in this issue relates some of John's latest work in the area of Leadership and Teamwork. He discusses five key leadership practices; Challenging the Status Quo, Setting the Example, Establishing a Clear Vision, Creating Effective Teams and Recognizing Personal and Organizational Accomplishments.

Summer Highlights

During the summer we've spent some time with new clients while still working on innovative solutions for continuing clients. In July we facilitated a meeting for an industry-based tourism board. The meeting exposed us to more ways of collaboration between businesses and communities, and ways of working together to affect change. Towards the end of the summer we held a day-long teambuilding event for United Technologies' Financial Leaders Program. The day's activities included a strategic "package delivery challenge," a grill-off for lunch, and a "backyard pentathlon" afternoon of sports.

The Great Experiment

by Sophia Macris

Prologue

For the past several years my daughter has been editing UPDATE. She is an English major and I am an engineer, therefore, her expertise is key to success of UPDATE. This summer she assumed additional business responsibilities when her brother left on July 12th for the US Merchant Marine Academy. This is her story about "What I did last summer."

My eighteen-year-old brother had been working on the water since he had been legally allowed, and at the beginning of this summer he had formalized his boat-cleaning business into a full-blown company. When I returned from my junior year of college, I volunteered to help him out as the company's business manager. I'd figured it would be easy; I'd write checks, send invoices, and keep track of the money rolling into this lucrative business. We had contracts lined up with power and sailing yachts at marinas all along the Mystic River, and the potential for tens of thousands of dollars worth of business in just one summer. But it was the same youth whose enthusiasm had conceived and launched the business that turned into the inexperience that almost buried it. After my brother left for the U.S. Merchant Marine Academy halfway through the summer, things quickly started to sour for the company—within two weeks of his departure, we'd received our first complaint, which we took as a personal affront. We soon learned, to our great chagrin, that it was only the first of many. We had dirty boats, untrained or lazy workers, and more than a handful of unhappy customers. This business tribulation was more than I had bargained for—all I wanted was an easy life of invoicing and payroll, things I could do on QuickBooks. My first lesson, I guess, was that business is about a lot more than what you can do on QuickBooks. Through my involvement in this company, I've come to understand the real-life applications of the most important business principles. And I can tell you a lot about Finesse-It and Collinite wax, too.

What boat-cleaning taught me about business:

Trust: there are very few people you can truly trust to walk the talk. When you find them, you have to give them a reason to believe in the organization, because they become your reason to believe in the organization.

Organizations: the reason consultants are so necessary is because when you're entrenched within an organization, you cannot possibly see everything as objectively as is necessary to make the organization function effectively. You simply have too much personal investment at stake. And those who have the ability to step back and look at the organization through unbiased eyes are truly gifted.

Growth: everything they say about getting too big too fast is true. The most dangerous thing that happens is losing sight of your mission and values while trying to do too much. In our case, our mission was to clean and wax boats well, so the

owners would be proud. Our only value (and the only one, I still believe, which was ever necessary) was quality. But we got so caught up in cleaning lots of boats that we were hustling just to get all our work done, never mind getting it done to the standards we supposedly espoused, and we were sending workers out without the requisite training. The bigger they are, the harder they fall, and we fell hard when customers started calling to complain about shoddy work. Growth cannot be beneficial to any organization without the strategy and infrastructure within the organization to support it.

Leadership: it's very easy to think you're a leader. It's very hard actually to be one. Leadership isn't about titles, or telling people what to do, or signing the checks. Leadership is about staying up until 12:30 am to finish polishing chrome, or answering the phone and promising a complaining customer that the work will be done, again, but this time to their satisfaction. Leadership isn't always fun and it certainly isn't pretty; leadership is putting your own butt on the line for the company. But leadership can be the most rewarding part of any organization.

Initiative: let me tell you a little story about initiative. It involves my 15-year old brother, a 53-foot yacht, and a billion-dollar corporation. We were having significant problems applying wax to this yacht, due to materials used during its last waxing. The wax wasn't buffing out correctly; even with our best products and a Milwaukee polisher, we were still getting big swirls on the fiberglass. After several failed attempts to cut the wax, my little brother went home one afternoon and called 3M to discuss the problem. And one of their product specialists called him back. It was such a simple thing, to call the wax experts, but this kid was the only one who a) thought to do it and b) actually followed through, completely of his own volition. I've never been so impressed in my life as I was when I heard the message on the answering machine from 3M. That's what initiative is: having the vision to find a solution to a problem and the courage to follow through with it.

Organizations (2): even simple things can be made difficult. I mean, we clean boats. That's our job. That's all we do. Yet you'd be surprised to see what kind of convoluted procedures we'd have to endure just to get people and supplies to a job, to communicate with workers on the job, to make sure the job was done well, to invoice the customer for the job, and finally to receive payment. There's a lot to be said for streamlining, but we got stuck in a rut of doing things one backwards way, and people seemed to think it would be more difficult to expend the initial effort to revamp our procedures than it was to continue plodding along as we were. Frustration, however, is a fast teacher, and I soon learned that a little effort in the beginning saves a lot of trouble down the line.

Taking things personally: I mentioned before that we took our first complaint call as a personal affront. How dare they call us and complain about our work? After being on the receiving end of over 90 minutes of angry customer complaints, I'm able to say my attitude has changed. We'd done these people wrong. They had trusted us and we had left them embarrassed in front of their friends and colleagues, or, in the case of our corporate clients, we'd cost them money, business, and trust from their customers. Indignation, on our part, at least, was certainly not an appropriate response. My job wasn't to get upset about the complaints, it wasn't to cop an attitude—these people were our customers. My job was to make it better. But you can make all the promises in the world when you're trying to save your butt from getting chewed out, and over-promising doesn't help anyone if you can't follow through. Anything you promise has to be said for the good of the company, not just to get yourself off the hot seat. It's all about the follow-through.

So what can I say about this summer business case-study? Yeah, when I get a job next year I will know more about management than I could have ever learned in three months anywhere else. I will be glad to have a job where, at least for a little while, the buck will stop somewhere else. But I will always know what it takes to uphold these business and management principles. That's what I've taken from it.

As for the boat-cleaning business, we're still not out of the woods yet. It takes a lot to regain a customer's trust after they've been disappointed, and as my Merchant Marine brother says, *acta non verba*—actions, not words. Our core crew members work hard, and they have the right balance of commitment to the company and self-interest to ensure that they get the work done well. We've made some choices that will allow us to finish the year without taking on any new customers and experiencing the meteoric growth we'd thought would catapult us to the cover of *Fortune*, but (more importantly) we won't disappoint our current clients. And we've made the cover of *Update*, so at least it's a start.

Epilogue

So what does this say about a consultant who has worked for large organizations for his whole career, and his children struggle with the same issues big companies must address? This whole situation was a dilemma for me. How much do I interject to help, or do I use the situation as a learning experience? I opted for the non-meddling, teaching, parent role. This summer's real world business experience was a tremendous opportunity to learn lessons at a young age and hopefully enter the working world with a bit more knowledge and experience of the joys, rewards and pitfalls of entrepreneurship.

Leadership Excellence

Creating Extraordinary Results in Today's Organizations

by John Haskell

Teamwork International

Key to business success is the realization that *leadership* can and does occur at all levels of an organization **and** that leadership is not necessarily a result of acquiring a title. Critical leadership skills can be learned and are not the exclusive inheritance of a lucky few.

Successful organizations provide the opportunity to acquire the essential leadership skills and create work environments in which employees, managers, and executives are able to accomplish extraordinary things. Extensive research demonstrates that people from all levels in an organization can provide leadership if they understand how to do this and the organization accepts, rewards and encourages innovation and new approaches to solve day-to-day organizational problems. In essence, people need the understanding and skills to do the extraordinary, and organizations need to provide the opportunity for them to engage these capabilities.

Key to successful leadership is the understanding and the ability to utilize the following key leadership practices:

A. Challenging the Status Quo

Successful leaders are constantly looking for new and more efficient ways to do the normal as well as the unique in their organization. They challenge themselves, and encourage others around them, to never settle for the 'usual'. They aspire to change things because they need to be changed and make the changes before they become problem areas. They shun anything that seems to result from the Not Invented Here syndrome. They develop a passion for developing those around them. They see information as something to be provided so others can act effectively and join their efforts to create a more dynamic, effective and efficient organization.

B. Setting the Example

Successful leaders set the example. They do what they say they will do and do it when they said they would. They are clear about their values and help their organization to develop a clear and shared set of values that serves as the basis for recruiting, people

development, promotion and leadership. They develop an approach within their organization that builds small successes, one at a time, thus creating organizational momentum. The result is an organization people want to be part of and are committed to.

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C. Establishing a Clear Vision

Successful leaders are able to define where they see the organization going and are able to effectively communicate this to the people around them. They accomplish this by describing a future that people can see and touch. They avoid being negative but accept and face the hard realities of their future. They focus on what can be and see problems and barriers as challenges and growth opportunities for the organization and its people.

D. Creating Effective Teams

Successful leaders understand that collaboration and teamwork enhances organizational performance. They instill a sense of commitment and obligation to the organization as a whole. This transcends the tendency to focus on 'my department' or my function and provide the opportunity for people to develop new competencies and capabilities. The result is an organization that supports both personal and organizational growth and development.

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E. Recognizing Personal and Organizational Accomplishments

Successful leaders practice the art of recognizing and acknowledging individual and team accomplishments. They link recognition and rewards to accomplishments and balance their attention so that both individuals and teams receive appropriate recognition. They are constantly looking for someone or a team to thank for what they have achieved. Their efforts are ongoing and not event based. Their actions occur in both informal and formal settings. They understand the importance of doing this and have personally integrated it into their day-to-day thinking and actions.

The successful leader practices all of these on a regular basis. They are not difficult to do and when practiced on a regular basis establish the environment for extraordinary results. Today too many organizations focus on the numbers and avoid focusing on the people. Once the numbers were termed the 'hard stuff'. From our perspective the numbers are the easier of the two. The challenge is to get today's managers and executives to understand that today people make the difference in organizational performance. They are the 'hard stuff'. As one leader recently said, "At the end of the day, all my intellectual capital goes home." It is difficult to manage people well. Not managed well will result in the organization's downfall. Managed well they can and will make all the difference. When employees, managers, and executives are aligned and working together to accomplish organizational objectives the results are extraordinary.

Something to think about

When in doubt, make a fool of yourself. There is a microscopically thin line between being brilliantly creative and acting like the most gigantic idiot on earth. So what the hell, leap. —Cynthia Heimel



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