



LEADERSHIP... WHAT IS IT? WHY DO WE NEED IT? WHAT HAPPENS IF IT ISN'T STRONG?

The common denominator in every single company is **THE PEOPLE** that comprise the company. Goals are met and exceeded because of superior talent. The company that understands this and has a specific and deliberate plan to obtain the best in talent will define the path everyone else must strive to travel. Talent delivers profit. Companies with Strategic Planners that are leaders develop the best market approaches. Companies with Product Development people that are leaders are at the head of the pack, getting market share while others are playing catch-up. Companies with sales talent who enthusiastically follow Sales Management leaders earn the business of more and better customers. Operations leaders run departments that exceed customer expectations and contribute to the retention of clients that sales efforts have won.

CHARACTERISTICS OF LEADERSHIP

- 1) A successful leader has focused vision and communicates it effectively to their entire organization. The result is a culture that embraces this vision on every level.
- 2) Leaders understand that empowerment allows others to think independently and develop their own Leadership potential. Without being empowered, they become implementers rather than creators.
- 3) Empowered people must be held accountable. A standard of measurement must be established in order to allow them to take credit for their successes and responsibility for their failures.
- 4) A culture that allows for mistakes is essential in order to form a leading company. Thus, bold ideas are risks worth taking. Without risk, it is virtually impossible to be anything but a follower. Creativity is fragile and must be nurtured, encouraged, and rewarded. This is a strong determining factor as to whether people and companies fall on the leader (proactive) side of the coin or the follower (reactive) side.
- 5) Leaders break paradigms and allow others too. Boundaries are fluid.
- 6) Leaders are strategic vs. tactical. Leaders create and define. Tacticians implement.
- 7) Leaders provide a platform for expression of ideas and a process for evaluating and responding to ideas

LEADERSHIP GOALS

- Define target
- Define strategy for obtaining target
- Obtain the best talent to identify, win, and retain customers
- Understand what constitutes the "must haves", "would like to haves", and "don't want" of target market
- Where have others failed?
- What has led to the success of some companies?
- What can your company do to differentiate itself?
- What do vendors want that they aren't getting? What must they continue to receive?
- What do lessees need that competitors aren't delivering? How much will profits soar if investments are made to satisfy unaddressed customer needs?
- How important is training, and what allocations must be assigned to it?
- How do new and existing talent receive mentoring?
- How does the company provide smooth transitions for new talent or people assuming new responsibilities?
- How do small ticket customers differ from middle market, and large ticket?
- Can your company be all things to all customers? How many areas can you handle? Which are most attractive to your company?
- Does your vision include a big picture goal, a mid-range assessment model, and methodology for adaptation when necessary? Does it permeate every layer of your company from the person who greets people at the door to the CEO?

ASSESSING A LEADER

Once you begin to break down the components, it becomes apparent that there are many levels. Picture a pyramid. The leader is at the top. This is the one person who is ultimately responsible for all of the facets that determine corporate culture, strategy, implementation, delivery, and results.

- What does this person value?
- Where have they been most successful?
- What strengths and weaknesses do they bring to the table?
- What paths did their career travel? How do they feel about it?
- Do they want to control, lead, guide, or organize? Do they clearly understand the difference?
- Do they Act or React? Do they take aim at the golf ball or blindly swing and hope that it lands close to the hole?
- Do they have a strategy in mind to fill the gaps their unique skills and interests create?
- Do they welcome ideas, input, and challenge or do they say, "It's my way or the highway"?
- What scares them?
- What invigorates them?
- Have they shared this with others?
- Do they believe that everyone needs a forum in which to be heard so that their unique talents and ideas will be maximized?

BUILDING THE PYRAMID

The next level down is Executive Management. These folks are hand picked by the leader. It is imperative that values, beliefs, strategies, and styles are openly discussed in a free and cooperative manner. Performance and attitude flow from the top down. If there is divisiveness within the top portion of the pyramid, performance will suffer. Without leadership, when the golf ball is hit, rather than sailing, it will be fighting the wind, the weather, and the terrain. In order to fly smoothly to the green, all must work cohesively as a unit.

- How are these people selected?
- What questions should the leader ask when making these vital choices?
- Where should the leader look for them?
- What resources should the leader take advantage of in this critical selection process?
- How will the following questions be answered and evaluated?
 1. What are the specific skills each person has demonstrated with consistency?
 2. What are the personal and career goals of each of these key people?
 3. How do they envision the future of business, this industry, and this company?
 4. Does Executive Management prioritize the following key factors similarly in order to work together and not against each other?
 - Profit
 - Corporate image
 - Employee satisfaction
 - Training of employees
 - New talent being brought into the industry
 - Hiring goals, techniques, and strategic goals
 - Beliefs about what responsibilities the company has to its clients and prospects
 - Customer service
 - How do they feel a company should handle changing demands from the business community?

Once this team has been put together, a mission statement must be composed which encompasses meaningful commitments to the people that join the team and the people that the team services. The key here is PEOPLE. Leaders teach, guide, and direct their team to address the needs, understand the concerns, and solve the problems of their prospect/client base. Executive Management must thoroughly share the mission statement, act according to the mission statement, and see that the entire team integrates the essence of the mission statement in all of their actions.

DISCUSSION POINTS BETWEEN THE LEADER AND EXECUTIVE MANAGEMENT

- Does the leader have a proactive plan, embraced by Executive Management, for creating an environment that can respond to challenging times and alter its course as necessary?
- Does the leader know how to utilize the skills of those outside of the company in order to obtain the greatest return from those inside the company? Is outsourcing of credit, operations, training, or hiring a good idea? Does one rule apply to all circumstances?
- Do executive people value talent?
- Do they understand why people have joined or might join the company?
- Do they understand what the five most important factors are in retaining talent?
- Do they know why people have left the company and do they address the causes?
- Do they train their managers to utilize proven management techniques? Or, do they promote people who were successful in non-management roles based on the assumption that management skills will somehow magically manifest?
- Do they know how to interview? Have they defined their interview agenda and how to achieve it?
- What is the mentoring process like for talent within the company? Why does it matter?
- How have they made their talent feel acknowledged, appreciated, and significant?
- How do they handle growth? Do they respond after the fact or prepare in advance? Should it always be the same?
- When a company fails to define the state of their market strategy, what are the ramifications? Do they want to lead or follow? Even followers must have leaders to guide the company along an already established path to retain market share and achieve growth.
- Does management have the desire, determination, and a plan to identify opportunity and make use of it? This relates to markets, talent, and direction.
- Does management understand that growth must be controlled, deliberate, and adaptable?
- Does management know where to find talent with experience in their chosen market niches (sales talent, credit talent, operations talent, etc.)? Do they know who has the resources to tap into that arena?

Leaders hire people who ask the following types of questions specific to their niches. The leader creates the vision (macro). People the leader has chosen execute the vision or plan (micro).

SAMPLE QUESTIONS LEADERS MUST ASK ACCORDING TO THEIR NICHES

- Captives
 - Lessee Advisors
 - Project Finance/Structured Finance
 - Vendor
 - Vertical market driven strategies
 - Direct end-user
 - Intermediary
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- Why have lessors who have dominated the office equipment market been able to leave their competitors in the dust?
 - How important is it for aircraft finance people to have a pilot's license?
 - Why is specific market experience important when selling to the medical community more than when financing hard assets?
 - What makes project finance attractive to lessors of all types, sizes, and credit qualities?
 - How can captives engage equipment sales people at the beginning of the process to create a "can do" approach to drive the finance part of the equation?
 - How can a company be created around the idea of advising lessees in a way that competitors don't?
 - What word comes to mind when YOUR company name is mentioned? What market do people think of?
 - Who has survived when there were no ready answers to these questions?

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