

LMII Journal



Provided by Magdy Mahmoud, Everest Leadership Group

110 Squire Hill Road, Montclair, NJ, 07043, (973)650-2009, Email: magdy7000@gmail.com, www.everestleadership.com

A Case Study Featuring C.F. Martin and Company

The Company...

In business since 1833, C.F. Martin and Co. crafts fine guitars for musicians of world renown and musicians of little renown as well. Many serious guitarists yearn to play a Martin guitar; the company's product is the standard by which most competitors are judged. Founded by German immigrant Christian Frederick Martin nearly 170 years ago, Martin instruments are widely regarded as "the Stradivarius of guitars." Today,

Martin produces nearly 60,000 guitars a year. Much of the work is still done by hand from cutting precious woods like mahogany, Hawaiian koa, or Indian rosewood to a 20-step lacquering process. The manufacture of a Martin guitar is a work of art in itself. With clients such as musicians Eric Clapton and Merle Haggard, C.F. Martin and Co. has quite a heritage to maintain.



The Challenge...

You might think a business as old and as established as Martin has already successfully ironed out all of its management challenges, but be advised: C. F. Martin Co. is also a standout Leadership Management®, Inc. client. By the time C.F. "Chris" Martin IV, the founder's great-great-grandson, became CEO, his forebearers had already

built a reputation for quality craftsmanship, weathered the Depression and two world wars, enjoyed the business boom of the folk-music revival in the 1960s, and squandered a good deal of effort and capital in failed acquisitions in the 1970s. But what goes around comes around. When Chris took the helm, the company was poised to expand both market share and plant size as the business surged back to life.

He went to college at a time when business instructors were beginning to talk about new trends in management research. "I learned how things could be done better," Martin remembers, "by participation and inclusion, by involving employees in your success, and by getting rid of the traditional management top-down hierarchy." When he came into the company after graduating from college, Martin set about becoming a force for positive change in an environment reeling from decades of heavy-handed, top-down management.



"The heritage part kind of takes care of itself. People buy history. But we've got today's issues and challenges, too. We have to deal with them. This isn't utopia."

– C. F. Martin IV

– continued from page 1 –

The LMI Process™...

LMI Partner Vince Fazio has facilitated close to 160 Martin employees through the LMI Process. Fazio introduced Effective Supervisory Management (ESM) to Martin in 1995 to enhance management skill building. “I see the need for personal organizational skills and for basic people skills for new managers,” says Fazio. “The ESM fills that need in an elegant, sophisticated way.” Vince first invited Martin’s HR director to put two employees into an ESM

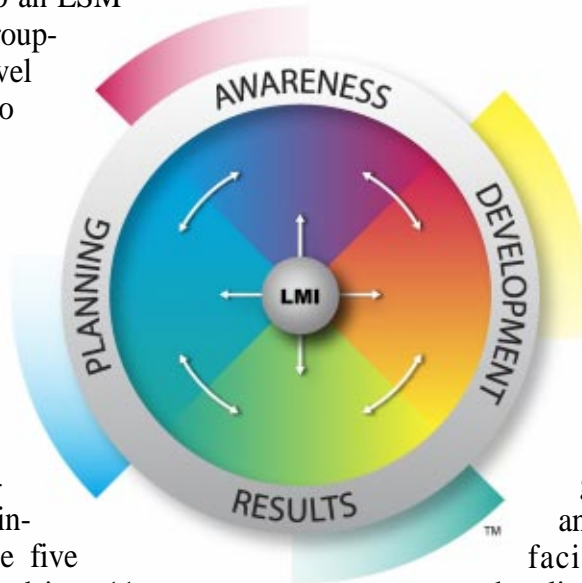
class, a cross section grouping of management-level employees designed to help companies evaluate the LMI Process.

Over time it got to the point where Martin employees were filling Vince’s entire showcases. So, in late 1998 when Martin wanted to send five more people, Fazio convinced them to hold an in-house facilitation. The five Martin employees turned into 11, and all future classes were held at Martin. That was early 1999, and Fazio has been facilitating Effective Supervisory Management ever since for growing numbers of managers, supervisors, and team leaders on the move up. The company’s recent expansion has even provided

a venue for Fazio – a human resources conference room that can accommodate up to 15 employees at a time.

The Difference...

The Martin corporate culture is evidence of the benefits of the LMI Process. The company’s low turnover rate – just less than 4 percent – is evidence of a stable, contented



“We’ve been given the opportunity to mold our culture into something positive and productive for our entire team.”

– Chris Martin



workforce. Chris Martin himself facilitates meetings in which employees can share ideas and solve problems. “We’ve been given the opportunity to mold our culture into something positive and productive for our entire team,” Martin says. “I want this to be a place where everyone helps run the business, and we all have a good time while we reach the company’s goals.” Now that the workforce has grown to more than 600, C. F. Martin and Co. deals with many of the same challenges facing managers and supervisors in every other line of work: communication, productivity, people skills, and the necessity for a proactive management style. Martin pledges to uphold the company tradition and continue to change the management paradigm through the effective, on-going cycle of the LMI Process.

“Our central theme is to manufacture positive change. I try to get across the notion that managing change is a reactive move; manufacturing change, on the other hand, is proactive.”

– Vince Fazio,
LMI Franchise Partner

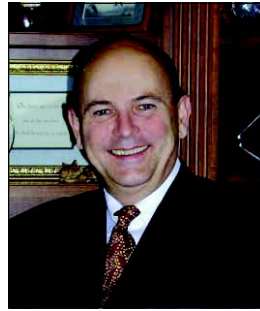
A Builder of a Team

Effective leaders build a diverse group of people into a smoothly functioning team. Sometimes the people in an organization all work hard, believe in the purpose of the organization and are loyal, but the organization fails to achieve its goals. Team members may all possess a similar vision of the organization's ultimate goal, but they move along different paths in working toward its achievement. The people involved are not working as a team. Teamwork emphasizes improved interpersonal relationships; it makes use of the participation of the team members in planning and in carrying out actions in a partnership for success.

To help the people work as a winning team, effective leaders are like quarterbacks who call the plays, while each team member fulfills an assigned role. If the quarterback's only direction is to urge the players to score on this play, efforts are uncoordinated. Confused players are quite likely to decide to execute different plays, and the team never scores. But when each one fulfills a specific, assigned role, the organization functions as a team and the goal is reached.

Effective leaders help each team player receive the proper assignment, ensure the team member knows how to execute the task, and are committed to producing measurable and appropriate results. Consequently, effective leaders hold each team member accountable and provides feedback to support continued success.

Training versus Development



David Byrd
President, LMI

Human potential represents the greatest asset of any organization. Human potential, however, can only be considered an asset if it is consistently developed.

Training and development are vital functions for any organization. The purpose of training is to impart knowledge and skills necessary to effectively fulfill the everyday operations of the organization. The purpose of development, on the other hand, is to enhance the use of the organization's untapped, human potential. Increased productivity is directly related to the development of the organization's untapped, human potential.

Many organizations unwittingly spend a lot of money on training while ignoring development; then ask the question, "Where is the return and how can we measure it?" Training will never deliver a return in the absence of development.

If I may, allow me to answer some basic but consistent questions; first, "What is development?" Development is a process which permanently impacts those behaviors, attitudes, actions, and systems directly related to enhanced organization performance. Notice that development is a permanent process. Notice also

that development is directly related to performance and is measurable.

"Training imparts knowledge and skills while development enhances behaviors and improves performance. Every organization needs both in order to see return and measure results."

Training imparts knowledge and skills while development enhances behaviors and improves performance. Every organization needs both in order to see return and measure results. The measurement of results must be directly related to performance.

LMI has over 40 years of experience in the field of "development."

We would welcome the opportunity to answer any questions you may have as to how the LMI Process can unlock the potential of your organization.

With Positive Expectancy,

David Byrd

President, Leadership Management Institute™

Characteristics of Effective Leadership

While no two leaders possess exactly the same personality or leadership style, effective leaders generally demonstrate similar characteristics. They frequently exhibit a contagious enthusiasm for life, a genuine concern for others, an enhanced clarity of purpose, and a firm commitment to the achievement of worthwhile, predetermined goals. The magnetic force of effective leadership is a tool which draws on the ability to arouse in followers a desire to be *like* the leader—or to possess some of the admirable qualities and personality traits seen *in* the leader.

Effective leaders bring out the best in their team members. To do so, they employ leadership traits which can be divided into three major areas: attitudes, behavior, and people skills.

Positive Attitudes

- *Goal direction.* Effective motivational leaders define clearly the goals they want to reach, visualize them vividly, and work toward reaching them with intensity of purpose.
- *Self-motivation.* Never feeling compelled to wait for someone else to tell them what to do, effective leaders rely on their own decisions and actions. Self-motivation propels effective leaders into purposeful and productive action.
- *Insight and judgment.* Determined, effective leaders apply their general intelligence and common sense to the task of learning what works, and what does not work. This trait, practiced efficiently, allows leaders to move ahead without wasting time before making a decision or taking action.
- *Competence and action.* Effective leaders face problems and do something about them. They often find themselves in new or unfamiliar situations without guidelines to follow or established patterns to give direction. They are forced to devise creative new paths to their goal, new methods for attaining their purpose, and new ideas for achieving success. Leaders know that some ideas and actions will prove unworkable. Effective leaders rebound from temporary setbacks, risk trying the next creative idea for achieving the goal, and persevere until the problem is solved. Good leaders typically think in terms of overall organizational objectives, not just along departmental lines. This “big picture” approach promotes good relationships among team members.

Behaviors and Habits

- *Decision making.* Effective leaders are decisive and

action oriented. They make firm decisions at the appropriate time – and then take action. They accept personal responsibility for their decisions and their actions. They are cooperative team players, but they refuse to be swallowed up by the organization, by social pressures, or by current trends. As they make decisions, they remain relatively free from personal bias.

- *Ability to handle problems and crises.* Effective leaders often anticipate problems and take appropriate action to prevent problems or crises. When a chaotic situation does develop, they restore order to the organization and return the team to smooth operation in a minimum amount of time.
- *Time organization.* Clear priorities are the effective leader’s criteria for time use. Good leaders conscientiously plan the allocation of their time, and delegate duties to carefully selected, well-trained team members.



People Skills

- *Understanding of people and situations.* Understanding their people enables effective leaders to choose the appropriate leadership style for the team members involved and for the task at hand. Understanding people saves time, prevents problems, and increases productivity.
- *Belief in people.* Effective leaders believe in people; they regard other people as a valuable resource with the potential for development and achievement. They believe that people are basically intelligent and creative, and that they want to do a good job. They communicate their belief in people by their words, attitudes, and nonverbal cues. Although they expect peak performance and top quality, effective leaders are sensitive to others, treating them with respect and tact.
- *Encouragement of people.* Effective motivational leaders help team members to succeed. Effective leaders encourage people to take on new responsibilities, provide support and opportunities for growth, praise people for a job well done, and give team members credit for their individual success as well as for contributing to the organization’s success.

The demand for effective leaders is heard throughout the business world, and the rewards are unlimited. Effective leaders often have the ability to make decisions, to set goals, and to achieve a level of success far above the average. But achievement through leadership is always based on sound planning and persistent effort in addition to knowledge and skills. The development of those skills and the cultivation of the knowledge and attitudes required to use them is the basis for becoming an effective leader.

The Art of Delegation

A manager's primary responsibility is to get work done through other people, and the single most effective technique for achieving this purpose is delegation. Effective delegation is the act of giving someone else the responsibility and authority to carry out an assignment or to represent you or your organization in a specific role. In addition to sharing responsibility, delegation involves communication and training. When teamwork is at its best, effective delegation occurs. Practicing the art of effective delegation is a vital tool in your development as a leader and manager because of these key benefits:

1. You improve your personal time management, leveraging your energy and ideas.
2. You provide motivational and development opportunities for others on your team.
3. You maximize the interests, strengths, and contribution of others and increase the team productivity.
4. You make use of a valuable yet easily overlooked training tool – delegation!

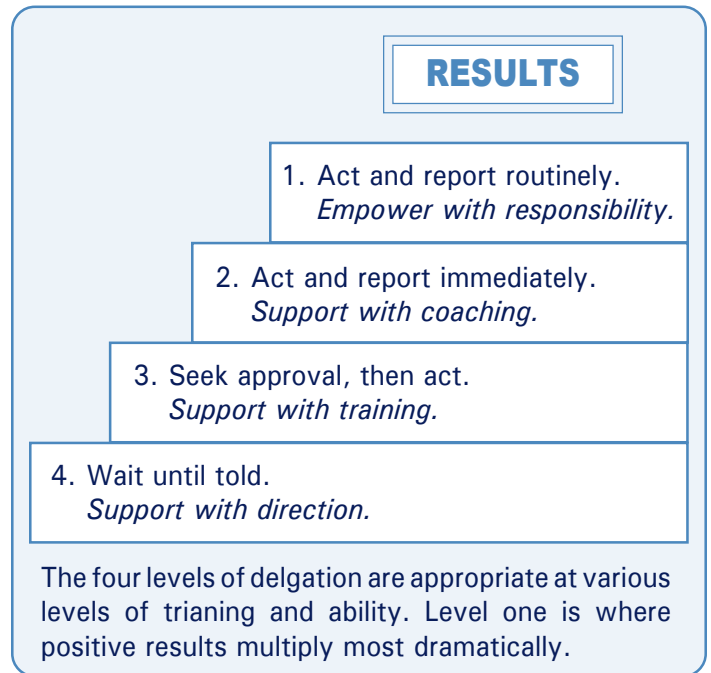
The definition of delegation can be expanded to include sharing of responsibilities with team members, other managers, or anyone with whom dividing responsibilities is appropriate and logical. The concepts used for traditional delegation apply with some modification when sharing responsibility. For example, some tasks within your work load may best be accomplished by counterparts of yours. Certain individuals may have special skills or knowledge, information, or relationships that make it more effective for them to complete the work. Keeping in mind the overall goal and being willing to share responsibility, as well as the credit, increases your success as a manager.



Effective delegation multiplies your efforts many times over by using the time, knowledge, experience, and creative power of other people. Effective delegation frees you for the planning, problem solving, and tracking required to build a more productive organization.

Levels of Delegation

Choose carefully the team members to whom you delegate specific tasks, especially those you would like to train for the highest level of delegation. Explain your reason for



delegating a piece of work, get a clear commitment from the person to perform the task, and provide adequate training and instruction. Evaluate the time required to perform the task and adjust work schedules or work load as needed.

For technical and non-technical work alike, you may need to inspect results carefully at the beginning. Your involvement at the beginning helps the person succeed and communicates the importance of the task you are asking the person to take over. As the employee learns the task and performs it well, reduce your involvement appropriately. Give the person the freedom to make the job their own. Check results only at stated intervals, and eventually ask to be informed only when a problem arises.

Monitor regularly the responsibilities you have delegated and measure the progress of individual team members to keep them on track, to stay in touch, and to avoid wasted time and effort. To reap the benefits of delegation and also avoid the pitfalls, define the following degrees of freedom according to the situation: 1) Act and report routinely. 2) Act and report immediately. 3) Seek approval, then act. 4) Wait until told.

The levels of delegation require different kinds of support. At level four, provide *direction* for employees. At level three, support with *training*. At level two, give *coaching*. At level one, empower with the *responsibility* and *authority* to complete the work independently.

To increase your team's results, set a goal to move as many people as possible to the highest level of delegation. Delegation challenges the most promising, capable people on your team to develop their potential and to use more of their abilities. When they do, you and the organization are direct beneficiaries of their growth.

Setting Optimally Effective Goals

Goal setting should never be confused with daydreaming or fantasy. Those activities are escapes from reality – devices used to “get away from it all.” You never intend to take action on a daydream or a fantasy. Genuine goal setting, by contrast, is the first step toward positive, deliberate action. Although goals are often imaginative and visionary, they are always a prelude to action, a track to run on, a course to take; they are never a substitute for reality. They are an expression of your noblest qualities; they are an exercise of your desire for personal leadership – the desire to be a bit better today than you were yesterday, and the determination to be even better tomorrow.

To set optimally effective goals, you need standards to follow. It is like playing basketball: you need to know the object of the game and the rules; otherwise, you would not know whether to run with the ball, kick it, throw it, or roll it. For your goals to have the magnetic attraction that draws you toward them and propels you toward success, follow these principles of goal setting – these “rules of the game”:

1. *Your goals must be your own personal goals.* It is obvious that you are more likely to accomplish goals you choose for yourself than those urged upon you by others. But your goals must also be “personal” in the sense of “private.” If you know that your goals plan will be seen by someone else, you may tend to distort it to impress others instead of to satisfy your real needs. Unless they are based on your own internalized values, your goals will have little or no meaning, no appeal and no value.

2. *Your goals must be stated positively.* Your mind functions through mental images; you literally “see” through the mind’s eye a picture of each thought. A goal expressed negatively eliminates a mental image, and the mind cannot picture a void or a vacuum. Take a simple illustration. You may say, “I’m going to stop procrastinating when it is time to make my monthly report.” What picture – what mental image – can you see of yourself “not procrastinating”? You will be much more likely to accomplish your goal if you state it positively: “I complete my monthly report the first day of each month.” Now you have a picture to visualize. You can see yourself sitting at the desk making your report. You can make specific plans to support this action. Goals, to be effective, need the motivational force created by a

positive mental image of yourself doing what you want to do or being what you want to become.

3. *Your goals must be realistic and attainable.* To say that goals must be realistic is not saying that they should be low, mediocre, or commonplace. Goals must represent a challenging objective toward which you are both able and willing to work. For example, a recent college graduate with a bachelor’s degree in chemistry might easily find a job as a laboratory technician in a large commercial research laboratory. It would not be realistic to set a goal to be director of that research laboratory within six months. Attaining the mature skills and the wealth of experience necessary would be impossible in that period of time.



Because such a goal is unrealistic, it would also have little motivational power. This does not mean a young laboratory technician should give up all plans to attain the position of director. A goal for a first step of advancement within a reasonable length of time coupled with a plan to gain additional skills and experience would be both realistic and attainable and would have strong motivational power. A

series of progressive steps would lead to the ultimate goal to become director of the research laboratory. Fulfillment of goals always comes in realistic, attainable steps. Just how high your ultimate goal should be is a matter only you can decide.

4. *Goals must include personality changes.* Many young people would like to be head of a company or hold some high position, but know nothing whatever about the traits of character or personality required to become a topflight executive or professional. As a result, they have no goals to develop those character or personality traits. Regardless of the type of work you do or the position you now hold, any goals to advance must include the personality growth necessary to handle the desired position. If you determine, for example, that you need to manage your time better, it is not enough merely to say, “I will manage my time effectively.” You must study yourself to discover why you practice the habit of procrastination, or of jumping from one activity to another without ever completing anything. When you discover the underlying problem that produces the undesirable behavior, you can make specific plans to develop new habits.

Some people are willing to set goals “to have” but not “to be” or “to become.” It is vital to set goals of becoming before you can achieve the more tangible goals of having.

The Art of Becoming Better and Doing Better

Productivity is the wellspring of success. A basic part of human nature yearns to achieve, to accomplish, to attain – to do better in the future than in the past. Through the ages, philosophers, poets, heads of state, commanding generals, businesspeople – leaders of all types – have tried to light the fires of enthusiasm and kindle the flame of motivation to glimpse the heights they might reach, the happiness they might enjoy, and the depths of reward they might gain from using more of their potential.

The term, productivity, captures the essence of this human pursuit of *becoming* better and *doing* better. Productivity, in fact, has earned recognition as the key to personal and business *progress*, *success*, and *survival*.

What is Productivity?

Since improving productivity is vital in today's competitive world, a clear understanding of the term *productivity* is essential. Productivity is defined by some from an economic standpoint. Others take a management viewpoint, while yet others look at productivity from other perspectives. A simple definition that applies to all businesses and individuals is that productivity is the measure of how efficiently goods and services are delivered. Productivity in a broad sense is concerned with the overall effectiveness of getting things done. In a narrower business sense, productivity is doing what it takes to make more money.

From a personal perspective, productivity enables you to earn your income. Overall, productivity means making more from your available resources; it means investing time in tasks, activities, or responsibilities that provide a high return to your organization and you. Productivity is determined by working on high payoff activities, and high payoff activities mean spending time doing the right thing, in the right way, at the right time, and for the right length of time. When you spend your time on high payoff activities, you will be more productive. You will be working smarter, not harder!

A firm is doing its job when it increases the bottom line, not just operational efficiency. Regardless of your particular business, profession, or career – whether you make a product, sell a product, or provide a service – improving your productivity is the force that propels *continuous improvement*. Continuous improvement adds to your sense of

personal accomplishment, professional success, and pride in a job well done.

Identifying and Using High Payoff Activities

The familiar 80/20 Pareto Principle operates in time use and personal productivity. Approximately 80 percent of the results you obtain stem from 20 percent of the tasks you perform. The other 80 percent of your tasks produce only 20 percent of the results obtained. It makes sense, then, to identify the most productive activities in your daily schedule and devote more time to these high payoff activities – activities you perform that bring you closer to achievement of your goals. High payoff activities are specific to each individual, so giving examples is difficult. In other words, because different people in various businesses, organizations, or situations have different goals, their high payoff activities will be different. Simplify, delegate, or eliminate other low payoff routines and activities that absorb too much of your time. This common-sense approach frees you for productive work on high priority items.

Benefiting from the Pareto Principle may require changing some patterns of behavior. And change may be perceived

as risk. But remember, success is often built on a series of events all of which involve a certain degree of risk. One who never risks never achieves. One who lives by the principle that “It is better to be safe than sorry” is likely to be both unsafe and sorry, left behind by progress and regretting opportunities missed.

Risk, however, must be carefully assessed and planned. With deliberate use of the Pareto Principle, eliminating activities can be worth the risk. Anticipating risk can even fuel your enthusiasm and motivation to overcome and conquer.

Establishing a Base Line

Improving personal productivity is never an accident; it begins with precisely defining productivity in your particular situation. Only when you know what productivity means to your business, can you increase it. You can take deliberate, purposeful steps toward improving your productivity when you learn to measure it.

Base lines for productivity differ according to the business you are in; consequently you must be the one to formulate your base line and express it in terms most useful to you. Generalizations are helpful in gaining an overall understanding of productivity, but you must identify measurable factors specific to your situation.



Bridging the Gap Between Potential and Performance

Since 1966, Leadership Management Institute™ has been bridging the gap between potential and performance by helping organizations and individuals evaluate their strengths and opportunities through implementation of the unique and proven LMI Process™.

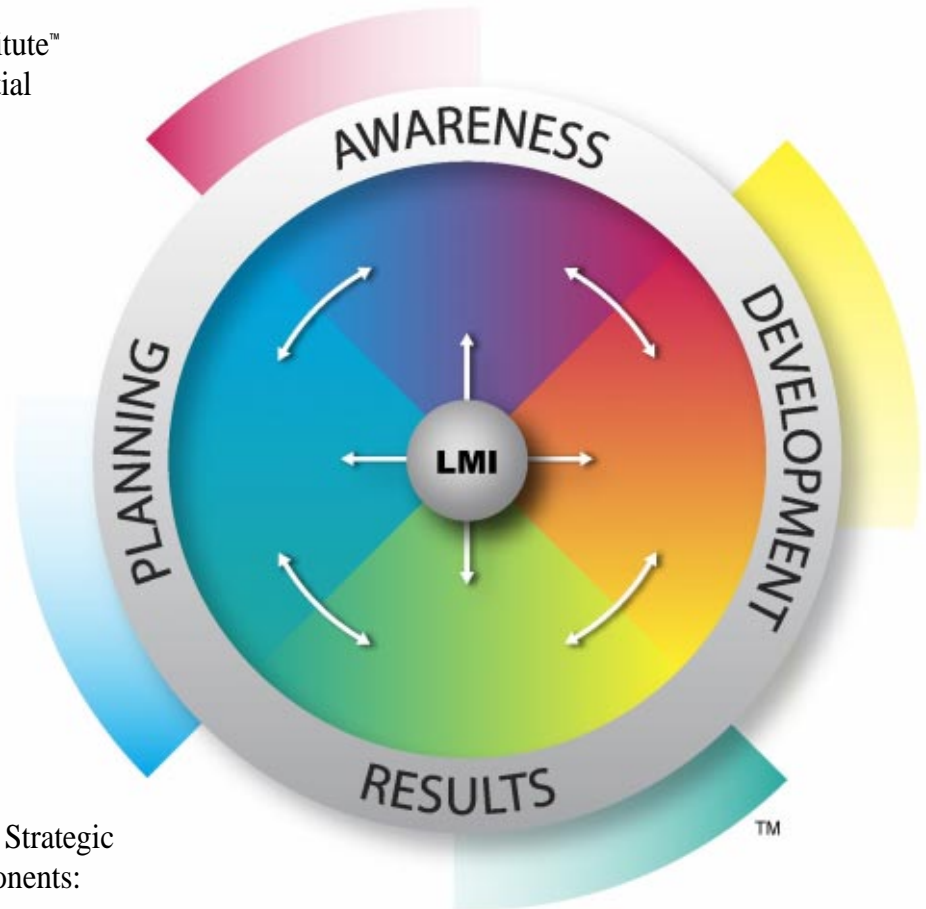
The LMI Process™ ...

- Develops leaders who, in turn, empower their people to use their untapped talents and abilities.
- Identifies key areas the organization should focus on in order to reach the next level of success.
- Gives direction to an effective solution and delivers measurable results.
- Practices a 93 percent effective leadership model.

The LMI Process™ is designed around a Strategic Development™ model with four vital components:

- Awareness
- Development
- Planning
- Results Management.

LMI® tools and processes have been making a difference in organizations and individuals for 40 years in more than 60 countries.



The *LMI Journal*™ is published for Leadership Management Institute™ by Rutherford Publishing, 7570 FM 1123 #19B, Belton, Texas 76513, 1-800-815-2323, E-mail: rpublish@rpublish.com. Website: www.rpublish.com Copyright © 2007 Rutherford Publishing. All rights reserved. Material may not be reproduced in whole or part in any form without the written permission of the publisher.

Publisher: Ronnie Marroquin

Managing Editor: Kimberly Denman

LMI Editor: Staci Dalton

To contact Leadership Management Institute, call 1-800-568-1241 or E-mail: info@lmi-usa.com.