

# Lead the Way to Success

By Stan Pohmer

**A**s I pointed out in last month's *L&GR* column, the business climate is far stronger today than it's been over the past few years when we've been forced to deal with the repercussions of a weak economy and a consumer who was struggling. The way



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we conducted and controlled our businesses then that allowed us to survive the challenging times is not the same way that will allow us to prosper and grow in the future, taking advantage of a recovering economy and pent-up consumer demand for our products they've deferred purchasing.

What got us through the tough times was an unwavering dedication and focus on our business operations and our people, looking more at controlling expenses, maintaining a positive cash flow and squeezing every last turn from a very tight inventory. We deferred or delayed investing in our businesses, making do with what we had on hand. We were, and in many cases still are, in an "operational management" mindset.

So what do we need to add to the mix to help take us to the next level? A leadership mentality! But many will ask, what's the difference between "managing" and "leading?" Are they the same with different words describing them?

Let me answer by way of an example. I think we all know someone who was a great manager who, because of their exceptional managerial

skills, got promoted ... and then epically failed.

My guess is that individual didn't take a stupid pill when they took that new position that caused him or her to fail, but they were a victim of the Peter Principle (made famous by the late business guru, Peter Drucker) that states the individual was promoted one step above his level of competency. In many instances, the reality is the promoted individual lacked the different skill set necessary to succeed in the new position. He or she knew they were promoted because of their excellent management skills and, in the new position, thought they could succeed by focusing on the skills and doing more of what they got promoted for, becoming a super-manager.

Unfortunately, the new position required leadership skills, skills that most of us never learned or weren't taught in business school classes; without those, the promotee reverted to their demonstrated managerial strengths and couldn't fulfill the expectations of the new position and ultimately failed. We used to think management and leadership skills and mindsets were mutually exclusive, but in today's low-cost/high-productivity world where teams are lean, they can't be. Leadership is not simply an advanced form of management! Leading requires different attributes and behaviors than managing.

So what are some of the differences between managing and leading? Try thinking in these terms:

## Managers

- Attend to operational excellence and, at their best, deliver against high expectations.
- Provide the business and its stakeholders (read: customers) with reliability, certainty and predictability, all very essential traits.
- Attend to continuous improvement, monitor progress against objectives and track and report the data that allows for valid and solid fact-based

decisions. Every person in every role in every company has management responsibility — the requirement that others can rely on him/her and their teams can deliver as promised within the agreed parameters.

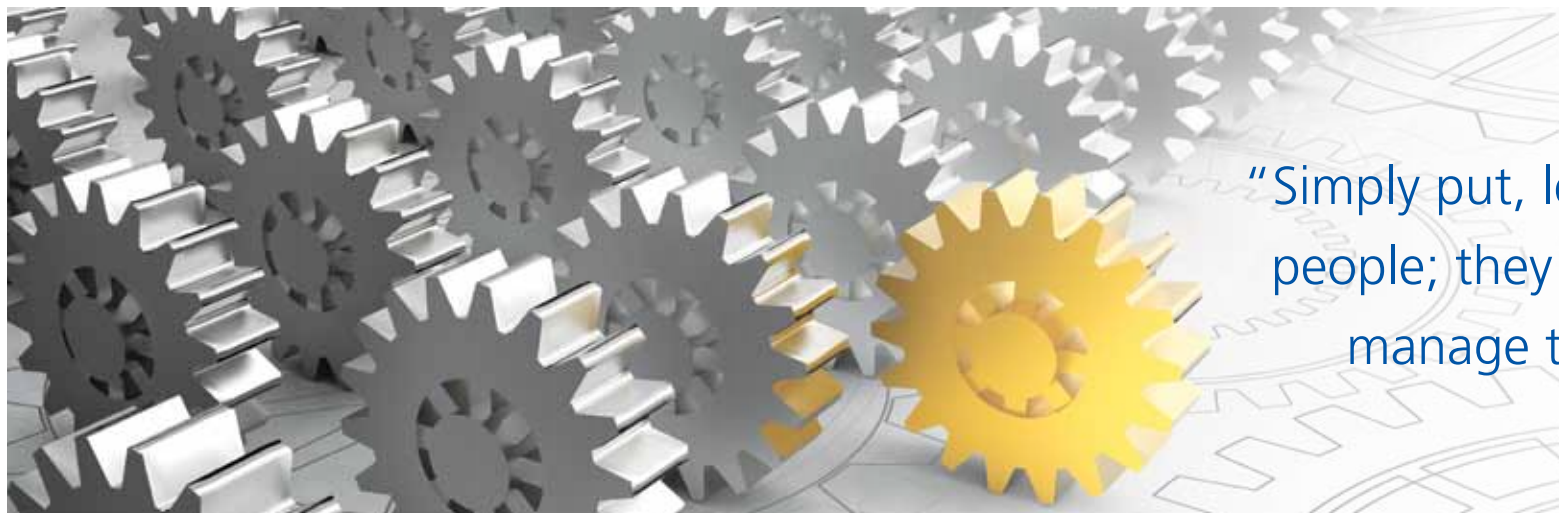
## Leaders

- Are a causal force. They cause things to happen that were not going to happen without their influence.
- Are future oriented and envision possibilities, what could be, not just an improvement to what exists today.
- Are adept at innovating, articulating a vision, creating strategies and inspiring growth and development in others on behalf of the vision. Leaders are rich in determination and incredibly resourceful.

Simply put, leaders lead people; they don't just manage them. Described by another Drucker-ism: management is doing things right; leadership is doing the right things.

Walter Bennis in his book, *On Becoming a Leader*, offered a pretty clear comparison chart that illustrates the differences between a manager and a leader:

- The manager administers; the leader innovates.
- The manager is a copy; the leader is the original.
- The manager maintains; the leader develops.
- The manager focuses on systems and structure; the leader focuses on people.
- The manager relies on control; the leader inspires trust.
- The manager has a short-term view; the leader has a long-range perspective.
- The manager asks "how" and "when"; the leader asks "what" and "why".
- The manager has his or her eye always on the



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bottom line; the leader's eye is on the horizon.

- The manager imitates; the leader originates.
- The manager accepts the status quo; the leader challenges it.

Comparing these manager and leader descriptors and behaviors, I think we can start to see the differences are more than just what

managers and leaders do; fundamentally, the differences are more in the mindsets and approaches, the way one thinks. The manager thinks and acts tactically and the leader acts and thinks strategically. The manager is more task oriented, focused on day-to-day operational successes, while the leader is more focused on

"what can be," the opportunities and potentials, and then inspires and helps his or her team rise to achieve these dreams.

In small businesses like ours, the challenge is the manager and the leader are often one and the same person! But there's a limit to how successful a company can be by just managing

better. To reach the potentials that can be requires someone to see the bigger picture, the vision, and then set the goals and inspire the whole team to follow and support the new path to growth and success. When you're both the manager and the leader, it's not easy to switch mindsets and approaches; it's not like you can flip the switch on and off. And your team needs to be able to differentiate when you are acting and speaking as the manager versus when you're acting and speaking as the leader.

Some will say that management is essential, even critical to the success of a company, as we evidenced over the past few years as we've fought for survival through operational management execution. And they will also say leadership is optional; and to simply survive, this is true. But to grow and prosper, to search out new opportunities, to see the potential, this requires a leadership mentality.

In order for you to engage your team in providing the best service to your customers, your stakeholders and your shareholders, you must get them to buy into your vision and align their perceptions and behaviors with yours. You need to get them excited about where you are taking them while making sure they know what's in it for them. The challenge for you is you are both leading your team as well as managing your day-to-day operations. Those who are able to do both will create a competitive advantage!

You've proven you're an excellent manager. You've survived the recent economic challenges that have made you an even stronger manager. Now it's time to see the opportunities and potential of what can be to set the bigger goals, and inspire your team to see the same things you see for the future... **LGR**

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This is Sam and her mom Joan, they own and manage a large garden center. This year, they decided to start replacing their aging wooden displays. Joan wants displays that will last longer and be resistant to the elements. Sam has an eye on growing their business, so she needs displays that can be easily expanded in the future. Both want displays that are easy to reposition for quick merchandising and can be used both inside and out at a moment's notice. They agree Poly-Tex displays fit the bill.

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