The Power of MAGNETIC Leadership: Energize Your Organization for Future Success

by

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My Mission

“To be the best I can be and help others be the best they can be.”

My Request!
World Economic Summit
Davos, Switzerland

• Improve the Educational System Worldwide
• Transform Our Thinking to be More Creative and Innovative
“We have to invest and prepare the young for the real world.”

Dr. Nido Qubein
President
High Point University
What is Magnetic Leadership?
Magnetic Leaders
Energize their Inner Powers
Despite
Outer Pressures!
Magnetic Leaders & Change

• Stay ahead of the curve
• Learn and grow everyday (personally and professionally)
• Help others learn and grow
• Continually change and improve
• Help people and organizations through the change process
Without Change, There is
NO Innovation

NO Creativity

NO Opportunity
Change is an opportunity for growth.
This Means Taking

RISKS
Take the Risks Out of Life…

You Take the Opportunity Out of Life
As Leaders,
You need to learn how to manage risks in your organizations.
Change Your Thinking and Your Organization’s Thinking

Courage: The ability to act despite your fears
Instead of:

• Can we really get the $?
• Can we really do ________?

Go for:

• How much more is possible with our time, energy, products?

Is the goal worthy of us because we can do so much more?
Change Is

• Transformational vs. Transactional
• Moving Beyond the Status Quo
• Altering or Modifying Existing Conditions
A Leader’s Role in Change

• Your primary responsibility as a leader is to initiate and cope with change:
  – Set new directions
  – Align people around the direction
  – Motivate and inspire people
Magnetic Leadership

Communicate
Clear
Purpose, Vision & Values

Be Emotionally Intelligent

Self-Awareness

Engage, Empower & Enrich

Build a Trust Bank
Magnetic Leaders

Know themselves:

• Find passion that motivates them
• Find the *purpose* of their leadership
• Feel comfortable in their own skin
• Know their strengths and weaknesses and fill their skill gaps with colleagues that complement you
• See themselves as others see them
Behavioral Styles

There are three dimensions of human behavior that result in different communications styles:

1. Assertiveness
2. Expressiveness
3. Flexibility
Behavioral Styles

Assertiveness Dimension

The degree to which we are perceived as attempting to influence the world around us – our environment and other people.

Asking  Telling
**Behavioral Styles**

**Expressiveness Dimension**

The degree to which we are perceived as freely expressing our emotions.
Behavioral Styles

Thinker

- Detail Oriented
  - Biggest Fears:
    - Criticism/Failure
    - Being proven wrong
  - Needs: Respect for expertise
  - Under Pressure: Avoid

Sensor

- Results Oriented
  - Biggest Fears:
    - Being taken advantage of
    - Losing control
  - Needs: Control
  - Under Pressure: Dictate

Feeler

- Relationship Oriented
  - Biggest Fear: Confrontation
  - Needs: To avoid conflict
  - Security/Approval
  - Under Pressure: Acquiesce

Intuitor

- Concept Oriented
  - Biggest Fears:
    - Not Being Appreciated
    - Losing prestige
  - Needs: Recognition
  - Under Pressure: Attack
Magnetic Leaders

• Powerfully
• Passionately
• Purposefully
Economic Decision Making is

70% Emotional
30% Rational

Marketing / Branding Must Create Connection, Passion and Engagement
“The true essence of leadership is that you have to have a vision. You can’t just blow an uncertain trumpet.”

~ Theodore Hesburgh
1. **Purpose is simple.**
   
   Purpose answers two questions: What business are you in, and what difference are you making in this world?

2. **Clear Values.**
   
   What guides your behavior and the decisions you make on a daily basis? This is the ‘how’ part of your vision.

3. **Vision expresses where you are going.**
   
   Vision is what brings you to the dance floor. It is a clear picture of the future that inspires you.
Some Purpose Statements:

Ladies & Gentleman serving Ladies & Gentleman.  
~Ritz Carlton

We exist to alleviate pain & disease.  ~Johnson & Johnson

We feed hungry people.  ~Greater Boston Food Bank

We are 911 for food.  ~Greater Boston Food Bank

We bring humanity to the air.  ~Jet Blue
Personal Purpose

- To make a positive difference in people’s lives.
- To leave a legacy.
- To be the best I can be and help others be the best they can be.
- To learn and grow everyday.
- To help the organization thru this transformation
YOUR ORGANIZATION'S VISION

1. PURPOSE
2. SUPPORTS
3. CHALLENGES
4. VALUES
5. BOLD STEPS
If you set your sights for the moon...

You will never end up poor.
A Great & Noble Purpose

• Lifts people high
• Drives them
• Excites them
• Motivates them
• Gives them passion to succeed!
Values in Motion

• Here are some values people can identify with:

<table>
<thead>
<tr>
<th>Collaboration</th>
<th>Enthusiasm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creativity</td>
<td>Communication</td>
</tr>
<tr>
<td>Accountability</td>
<td>Imagination</td>
</tr>
<tr>
<td>Respect</td>
<td>Integrity</td>
</tr>
<tr>
<td>Compassion</td>
<td>Attitude</td>
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</tbody>
</table>

Be a Teacher
The Four Seasons Compass: Collective Ambition

VISION
Achieve First-Choice Ranking Among Guests
Be The Best Employer
Be The Number One Builder of Sustainable Value

PURPOSE
To create the world's best hospitality experiences

CORE VALUES
Quality
Service
Culture
Brand

BRAND PROMISE
Dedication to the Highest Hospitality Standards
Consistently Caring and customized 24-Hour Service
Culture of Employees Inspired to Offer Excellent Customer Service

STRATEGIC & OPERATIONAL PRIORITIES
Get Rid of Background Noise
Build Leadership Through Learning
Deliver The Best Product And The Most Personal Service Every Day
I have a dream...
Without Purpose, Life has No Meaning.

Without Meaning, Life has No Significance.

Source: The Purpose Driven Life, Rick Warren
Vision without emotion – lacks drive and has no reason to keep fighting.

Emotion without vision – is the heart's way of throwing a tantrum for no reason.

Commitment without vision is meaningless.

No clear direction results in no achievement.
Differentiate and Be Relevant

The Magic is Not in the How,

The Magic is in the Why.
Magnetic Leadership

- Be Emotionally Intelligent
- Communicate Clear Purpose, Vision & Values
- Engage, Empower & Enrich
- Build a Trust Bank

Self-Awareness
Trust

Trust means confidence.

The opposite of trust is suspicion.
What are they getting out of this?
What’s in it for them?

Trust is the foundation and framework of any relationship.
Trust Statistics

- **34%** of Americans believe that other people can be trusted
- **Only 48%** of employees have trust and confidence in senior management
- **28%** of employees actively distrust their leaders
- **85%** of workers trust their direct managers when the manager is a good listener (compared to just 13% for bad listeners)
- **Only 11%** of employees strongly agree their management shows consistency between words and actions
Building Trust

Four Elements Necessary for Building Trust

- Consistency
- Openness
- Acceptance
- Reliability
Building Trust

• Which of these behaviors are most important for you to exhibit in terms of your responsibility to your organizations?

• Which of these behaviors do you believe are most important to your people in terms of their...
Building a Culture

Based upon Trust
<table>
<thead>
<tr>
<th><strong>Level of Trust</strong></th>
<th><strong>Responsibility-Based</strong></th>
<th><strong>Authority-Driven</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Management and individuals operate with <em>honesty, integrity and passion,</em></td>
<td>Limited. People avoid responsibility and <em>take advantage</em> of you.</td>
<td></td>
</tr>
<tr>
<td><strong>Team Behavior</strong></td>
<td>People <em>believe in each other...</em> and partner to create a great experience.</td>
<td><em>It’s not my job attitude</em> and behavior.</td>
</tr>
<tr>
<td><strong>Who is Responsible?</strong></td>
<td>Everyone <em>is responsible,</em> individuals solve problems and <em>own the outcomes.</em></td>
<td>No one accepts responsibility... <em>blame</em> is paramount.</td>
</tr>
<tr>
<td><strong>Individual Behavior...</strong></td>
<td><em>Self-Directed</em> take ownership.</td>
<td><em>Other-Directed</em> do what they’re told, avoid taking risks, and little initiative.</td>
</tr>
</tbody>
</table>
Without trust, there is no open society, because there are not enough police to patrol every opening in an open society. Without trust, there can also be no flat world, because it is trust that allows us to take down walls, remove barriers and eliminate friction at borders. 

**Trust is essential for a flat world.**

~Thomas Friedman

*Author of The World is Flat*
Trust

Exercise

Think of a person you trust. What does it feel like?

Think of a person you have a low trust relationship with. What does that feel like?
What have you done to build your trust bank for change?
Magnetic Leadership

Communicate Clear Purpose, Vision & Values

Be Emotionally Intelligent

Self-Awareness

Engage, Empower & Enrich

Build a Trust Bank

52
Leadership is the Engine
Individual involvement is the fuel.
The Engagement, Empowerment & Enrichment Process for Improvement

1. Ask, Listen, & Engage to Understand Present Status & Create Momentum for Improvements
2. Develop the Focus & Strategy for Improvement
3. Communicate the Plan to Address the Identified Major Business Improvements
4. Build Team Infrastructure to Develop Improvement Solutions
5. Communicate the Improvements that will be Implemented
6. Implement the Improvements
7. Measure Results

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Participation is a Two Way Street

Ask the following questions:

1. As an organization, what is it that we believe?
2. What are we in business to do, and what do we do exceedingly well?
3. What is unique about the way we do it?
4. What makes us innovative?
5. What makes us a great organization to be a part of?
Engagement Fuels Performance

Business units at the highest level of engagement in the Gallup Organization’s database have an 83% chance of performing above other organizations in:

- Customer loyalty
- Profitability
- Turnover
- Safety absenteeism
- Shrinkage
- Quality

This compares to a 17% chance of performing above the company median for units at the lowest level of engagement.

Odds of high achievement are FIVE TIMES LOWER!
Engagement Brings in Results

<table>
<thead>
<tr>
<th>12 month change in operating income:</th>
</tr>
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<tbody>
<tr>
<td>High Employee Engagement:</td>
</tr>
<tr>
<td>Low Employee Engagement:</td>
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<table>
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<tr>
<th>12 month net income growth rate:</th>
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<td>High Employee Engagement:</td>
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<tr>
<td>Low Employee Engagement:</td>
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<th>12 month earnings per share growth rate:</th>
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Based on HR Magazine / Tower Watson
Imagine a Company…

• **First American Manufacturing Facility**  
  – 1mm square feet

• **State of the Art Technology**

• **350 employees**

• **1 Customer with 60+ Stores**

• **Huge Demand**
Imagine a Company...
The Change Process

Leadership is the Engine
The Change Process

Employee involvement is the fuel.
Building Simple Elegance

Committing to World-Class Growth with World-Class People

Living the “Swedwood Way of Life”
• Respect  “Treat Others the Way You Want to be Treated”
• Integrity  “Doing the Right Thing”
• Safety  “Safety First”
• Quality  “Customer Satisfaction”
• Teamwork  “Together Everyone Achieves More”
• Communication  “Everyone Needs to Know”
Great leaders know they cannot do it all themselves – it takes everyone’s creativity and innovation to achieve incredible results.
Great Leaders Appreciate People & Let Them Know It
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Self-Awareness
The Business Case for Magnetic Leadership

Leadership IQ being equal, it is believed how leaders manage themselves, their emotions and emotions of others, accounts for 85 – 90% of what separates outstanding leaders from their peers.
The Business Case for Magnetic Leadership

The overall climate of an organization, how people feel about working there, can account for **20-30%** of business results.
The Business Case for Magnetic Leadership

50-70% of how employees perceive their organization can be traced to the actions of one person – the leader.
The Business Case for Magnetic Leadership

93% of believability is related to emotional intelligence,

7% related to IQ.
Magnetic Leaders?

Connect with People

Define Purpose, Values & Vision

Providing Genuine & Appropriate, Praise & Recognition

Accept New Ideas

Trust is their Foundation

Listen

Receptive to Feedback
Each & Every Interaction Communicates Value!
Create “The WOW Factor”
WOW Statements Create Positive Experiences.

WOW Statements Create Loyalty.

WOW Statements Bring in Additional Creativity and Innovation.
Business Reasons for Building Connections

Fortune’s Annual “Most Admired,” “Best to Work for,” and “Best Run” companies:

• Loyalty is a fundamental element of their business vision, growth, and success.

• Management is dedicated to understanding employee, customer and stakeholder needs.
Some Organization
Winners
“To inspire and nurture the human spirit – one person, one cup and one neighborhood at a time.”
• Employees are called “partners”
• Medical benefits and profit sharing for full and part-time employees
• “Bean Stock” program for full and part-time employees
• Health benefits for same sex partners
Blending Capitalism and Activism.
Disgusted with Washington’s dysfunction, ceased making campaign contributions to either party.

Joined by CEO’s at:
Create Jobs for USA

Opportunity Finance Network®
that will make loans
to small businesses in underserved markets
across the country.

$5 red/white/blue wrist band.
Stores in Harlem and Crenshaw, LA

Share profits of local stores with community $100,000.

We are agents of change. With each cup we help the neighborhood.
We are not in the Coffee Business,

We are in the Experience Business.
“We bring humanity to the air.”
• **Everyone** is a “Crew Member”

• **Established Shared Value System**
  – Safety, Caring, Integrity, Fun and Passion

• **Hire for their Culture and Attitude**
• Created Five Principles of Leadership
  – Inspire Greatness in Everyone
  – Treat People Right
  – Do the Right Thing
  – Communicate with Your Team Consistently
  – Encourage Initiative and Innovation
Golden Rule: Treat others as you would like to be treated.

Staff members: called Team Members

Motto: Whole Foods, Whole People, Whole Planet.
Whole Foods Team Model

• *Employees are responsible for results.*
• *Access to real time performance data.*
• *Decision authority over key variables.*
• *Tight coupling between results, compensation, and recognition.*
Business Results

• January 2011, Fortune “100 Best Companies to Work for” – for the last 13 years

• August 2010, Whole Foods reported earning 53 percent more per diluted share year-over-year in the quarter ended July 4, with total sales increasing 15 percent to $2.2 billion.
Key Questions

• What is getting in the way?

• What do we need to do differently to get to the next level?

• What do we want my people to do differently?
Does my leadership/staff understand the program and the **reason(s)** for implementing it?

Is there a high-quality communication plan in place to let the **entire** program/business know the details?

Are there **well-defined** strategic and tactical plans for how the program will be implemented?
Is there a plan to get all constituencies involved early and often?

Do individuals understand how their roles affect the change and results in a positive way?
Magnetic Leadership Checklist

1. How flexible am I in my leadership style?

2. Am I trustworthy?

3. Have I communicated a clear purpose, vision and values?
4. How well do I manage myself?

5. Do I utilize the 2 most underutilized words?
Magnetic Leadership

Communicate Clear Purpose, Vision & Values

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Build a Trust Bank

Thank You!
Summary

Know Yourself!

Be Courageous!

Create “WOW” Experiences!

Involve People!

Smile!
Thank You!

Thank You!

Thank You!
Free Gift Raffle

“If you’re ready to be a magnetic leader and empower those you lead, then read and absorb the strategies in this brilliant book by Dianne!”

~James Malinchak
Featured on ABC’s Hit TV Show, “Secret Millionaire”
Co-Author, “Chicken Soup for the College Soul”
Founder, www.BigMoneySpeaker.com
The Power of MAGNETIC Leadership:
It’s Time to Get R.E.A.L.

By: Dianne Durkin

The Loyalty Factor
Building Employee, Customer and Brand Loyalty

By: Dianne Michonski Durkin