

North American Management Briefs

Published by:



LEHNEN, MOLLAN & Associates
 Channel Distribution and Pricing Consultants
 Phone: 1-815-226-1666 www.LMAUSA.com

You Should Know...

Rich or What?

America's four highest-earning hedge fund managers earned more in 2013 than the combined salaries of all 157,800 kindergarten teachers in the country says Vox.com.

The Point: They had a very good year by any measure.

We Think We're Smart

A new YouGov poll found that only 4% of Americans think they are less intelligent than the average person. Yes, that means 96% of Americans think they are above average.

The Point: The US is indeed the land of optimism.

You're Fired

A Turkish man was kicked off a TV dating show after admitting on air that he had murdered his first wife and "accidentally" killed his next lover while swinging an ax. He admitted his "checkered" history and that he had served 14 years in jail, but claimed to have "changed."

The Point: You're fired!

Longevity Record?

Irene Triplett receives a \$73 per month pension from the US government for her father's military service in the Civil War. The 84-year-old is the last child of any Civil War Veteran on the benefits roll says *The Wall Street Journal*.

The Point: The Civil War ended in 1865. Do the math, it will take your breath away.

June's Quote

"Sex: the thing that takes up the least amount of time and causes the most amount of trouble."

John Barrymore

Leadership and Growth

The relationship between leadership and growth is poorly understood. Leadership is necessary to achieve growth, but so is skilled management.

There are over 13,000 books on leadership (it's one of the most popular courses in grad schools). It has been carefully analyzed and the concept of "emotional intelligence" has emerged as the essential component of leadership.

Daniel Goleman, a Harvard professor, in his seminal work, *Emotional Intelligence* (1995 Bantam Books) found that there are five major constructs of "emotional intelligence." They are:

- *Self-awareness* – the ability to know one's emotions, strengths, weaknesses, and values
- *Self-regulation* – the ability to control or reduce one's disruptive emotions and impulses
- *Social skills* – the ability to manage relationships and to move people in a desired direction
- *Empathy* – the consideration of other people's feelings when making decisions
- *Motivation* – being driven to achieve for the sake of achievement alone

Anyone's leadership skills can be improved by focusing on these five.

What then can impede a great leader from growing his business? There are eight impediments. They are why many leaders with a high degree of emotional intelligence and ambition fail. They are:

- *Lack of a clear mission*

- *Misunderstanding of the core business*
- *Single product dependence*
- *Failure to spot change*
- *Modifying strategy too slowly*
- *Changing the culture*
- *Ignoring core competencies*
- *Overreliance on acquisitions*

Don't be put off by their simplicity. Almost every organization is deficient in one or more of these eight areas. Nonetheless, they have been proven time and time again to be reliable predictors of a business failure.

The most important? Failure to spot change followed closely by the lack of a clear and well communicated mission.

If it's profitable growth you want (and who doesn't), then the first prerequisite is leadership and the second is avoiding the eight pitfalls above.

The Point: Sometimes success depends more on what you don't do than what you do. Understanding the impediments to profitable growth and avoiding them can be just as important as having an experienced and capable leader.

Top 10 Countries With the Most Births

Country	Births (Millions)
India	24.8
China	16.5
Nigeria	5.5
Pakistan	4.6
Indonesia	4.4
USA	4.4
Ethiopia	4
Bangladesh	3.6
Brazil	3.6
Dem Rep of Congo	3.3

Source: US Census Bureau, Intl Data Base