

**A Thousands Paths to Leadership:
Observations and Learnings on Leadership in Business**

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Introduction

Good afternoon. It's an honour to participate in this year's Colloquium and a pleasure to be back at Western.

Today's speakers have approached the topic of leadership from a variety of backgrounds: legal education; the courts of appeal; private practice; the public sector; and the non-profit sector. It appears I'm the designated spokesman for the "for-profit" sector, addressing the topic of leadership in business.

Business leadership is a broad subject, but one which many others have tried to tackle. A quick search on indigo.ca for books on "leadership and business" generated a total of 12,800 listings.

The books approach leadership from a variety of perspectives. Some see it as an activity - *The Adventures of Leadership* or *The Dance of Leadership*. Some books transform leadership qualities into lists – like *The Ten Traits of a Great Leader*.

There are books that go further afield for inspiration. It's found in sports: *Dr. Jack's Leadership Lessons from a Lifetime in Basketball*. And even in the ultimate source: *The New Testament of Business Leadership*.

But in spite of all this guidance, many organizations haven't found leadership. A recent study of CEO turnover rates reported that in 2005, 15 per cent of CEOs worldwide left office, an increase of 70 per cent over ten years prior. As a result, when an extraordinary leader – like Jack Welch – emerges, he is studied to death like some rare breed of animal, in the hope of identifying why he succeeded and enabling others to attain the same level of leadership. There is a great desire to try to capture the core secret of business leadership, or to find a formula.

That search is illusory: there is no owner's manual to effective leadership, no magic model. Each leader achieves his or her position via a unique path and through a personal set of experiences. With that in mind, I've entitled my remarks "*A Thousand Paths to Leadership: Observations and Learnings on Leadership in Business*."

What I offer today is a framework of how I've observed leadership evolve in myself and in others. It is a framework that I hope you find helpful in defining your own individual route to leadership.

The many paths to leadership all start with the ambitions and raw capabilities of individuals and then are defined by their choices, their ability to learn from experiences, and the example of others.

It has been my experience that leadership is achieved by a combination of energy, willingness to learn, good luck and plain hard work.

My Background

My views of leadership are the product of a career that has bridged the legal profession and business. Following my legal education here at Western, I was fortunate to attain an articling position with Torys and begin my career as a lawyer.

Working inside one of Canada's leading law firms and with some of the best and brightest lawyers in the country gave me an outstanding grounding in the practice of corporate law and the effective management of organizations.

In 1987, I made a decision that turned out to have a momentous impact on my personal progress towards leadership. At the age of 27, I left Torys to become an investment banker at Wood Gundy. It was a risky decision to move to a different career. I went from being a fourth-year lawyer to a first-year investment banker.

But by doing so I gained an entirely new perspective and set of experiences. It was also an opportunity to differentiate myself from other corporate lawyers and to begin to carve my own path. In essence, I moved sideways in order to move forward.

In 1990, when I returned to Torys, I was a different person. I could apply an additional set of skills – and a new way of thinking - to my work in corporate law.

That decision to move off the conventional legal track and immerse myself in investment banking turned out to prepare me for my next major leadership opportunity. In 1998, I became the President of The Woodbridge Company, the investment company of the Thomson family.

Woodbridge is also a long-time client of Torys and before I left the law firm, I worked on many Woodbridge matters.

Joining Woodbridge was a special opportunity to be involved in an important transformation as Ken Thomson prepared to hand the control of his family's interests to a new generation. It was also a chance to test my leadership abilities at the helm of an international investment company.

The path of my career has moved through many environments, surprised me with twists and opportunities, and led me to unexpected places including the leadership role I hold today - one that I could not have anticipated when I graduated from law school.

That may be the first piece of advice I share with you today. I'm sure you have visions of where you'd like to be in five or ten or 20 years. Ambition and drive are important to success. But I encourage you to stay open-minded and recognize that your success will most likely come in unanticipated ways.

The Four Stages of Leadership Evolution

Let me begin by mapping out my leadership framework and then I will go through each stage in more detail. Through my reading on leadership and my own experience, I have concluded that leadership evolves in four major stages.

The first of these is **apprenticeship**. In this stage, you're learning the required technical skills of your job or profession. You're also establishing the way in which you will act through your career – your ethics, standards, and ways of dealing with others.

For a musician, the apprenticeship stage is when he learns scales, the techniques of playing the instrument, how to read notes, and keep time. For those of you with young children at home who are learning to play the piano, you'll be excruciatingly familiar with apprenticeship. This is the time of playing scales over and over and over and over.

From apprenticeship, you move to the next stage of leadership development: **learning how to perform**. You take your raw skills and begin to knit them together into a coherent whole. For the musician, this is when notes become a piece of music. In business, this is when you graduate from execution of tasks to management of projects and development of strategy.

This stage is also when an individual may consciously begin to feel like a leader for the first time. A mid-level manager may get responsibility for a new product launch or a young lawyer may play a key role negotiating or structuring a deal. This taste of leadership whets the appetite and fires ambition. But it can also create impatience to move to more senior leadership roles quickly – sometimes too quickly.

I call the third stage of leadership: **responsibility**. This is when the real tests of leadership occur. At this point, the individual goes beyond managing the status quo and creates or changes something significantly, such as starting a new initiative, driving a change in strategy, or managing a crucial issue. It is when the leader-in-development makes an impact on his or her organization in a significant way.

Again thinking of the evolution of a musician, the ownership stage is when the performer begins to do something original – interpret a masterpiece in a new way, or even compose his or her own music. In business, a manager may be put in charge of a division. In law, you may begin to run a practice area or team.

The fourth and final stage in the evolution of a leader is: **setting an example**. Now the leader is fostering others in his or her organization by demonstrating the fully mature execution of leadership.

Stage One: Apprenticeship

Let's start with stage one: apprenticeship.

Leaders Made Not Born

It is a common misconception that great leaders are born. Yet real experience repeatedly demonstrates that this is not the case. In fact, it's those individuals who are often pegged early as future leaders who seem to fall short of expectations.

Part of the reason these individuals struggle is that they gain false confidence from their early identification as natural leaders. They assume they can skip the stage of apprenticeship. But natural talent has to be paired with hard work. As is often seen in sports, the greatest player is not the one with the best raw skills, but the one who can combine skill with a greater commitment and drive to improve, grow, and take on challenges.

In my case, my apprenticeship – my acquisition of skills – began in earnest with my entry to law school. Simply achieving acceptance into law school is a significant event in your development. You're one of a select group of students who have been admitted. You find yourself in the company of like-minded individuals who are already motivated and committed to compete and succeed. The game is on. It's an environment that forces you to begin to shape your personal approach to success.

Developing a Way of Thinking

In looking back now, I realize that my law degree started me on the path to leadership primarily by giving me a way of thinking. A legal education and the practice of law are about considering multiple perspectives and acknowledging that there is rarely a single right answer to a problem or question. A legal training orients you to find the best choice among multiple options as opposed to picking the first answer that seems to fit.

Because of that understanding, today I have a great belief in making business decisions after thorough research and examination of options. I have consistently found that the best business decisions come from well-researched planning and a broad perspective.

Much is made in popular culture of “gut feeling” or acting on instinct, but in the real practice of business, gut instinct may deliver a few lucky wins but it’s not a sustainable strategy for success.

Consistent success comes from deliberate, thoughtful decision-making that looks for examples and best practices that have come before you. And lawyers are well oriented to this approach as the law teaches us the value of precedents and case studies.

The Discipline of Learning

A legal education also prepares you for future leadership by teaching the discipline of learning.

In a much quoted line from *The Canterbury Tales*, Chaucer described the scholar this way:

“and gladly would he learn and gladly teach”. Learning is fundamental to teaching and leadership. And learning is a life-long pursuit, even when you have become a great teacher or great leader.

The best leaders continually engage in learning new information and new perspectives. That commitment to learning provides a way to travel outside of your own life to understand other worlds and contexts. It guards against one of the greatest risks in business management: becoming too narrow.

The most effective business leaders are worldly, in that they take a broad view of the world. They read widely and outside the specific context of their industry or job.

President Bush is often portrayed by his critics as an ignorant man and the failures in his presidency are attributed to his ignorance. But I would argue that Bush's Achilles Heel is not his intellectual capacity, but rather his constriction of vision: he entered office with a predetermined plan, a narrow frame of reference, a short a list of priorities, and a too small and closed a circle of advisors, and as a result, he has been unable to adjust to change and challenge. Lack of perspective is a lethal weakness in any leader.

Personal Standards

There should be another important development occurring during the apprenticeship stage: the establishment of personal standards.

Legal training is a great advantage in the setting of personal standards as it provides an understanding and deep respect for the rules and regulations of systems. All too often, we see a business person become overly ambitious, lose track of the systems that govern his or her business, and end up outside those rules. In examples like Enron, we saw business people who convinced themselves that the rules did not apply to them and that anything that limited their ambitions was to be disregarded.

As a lawyer, I believe very much that rules exist not to impede progress but to facilitate it. A legal training orients you to the concept that none of us acts without impacting others. Whether in a legal or business context, we are always functioning as part of larger organizations and business systems.

I like to think that as a lawyer I'm oriented to my legal and moral obligations not just because I've studied law, but because I'm committed to the principle of the best interests of my community. Integrity is not only about being a good person; it also involves being respectful to the system that got you to your success.

Work Ethic

A legal training and legal career also contribute significantly to the development of a personal work ethic. The workload and expectations of a law school evolve into the workload of professional practice and, in the case of a law firm, the standards of professionalism of service to clients. A good lawyer must be consistent and reliable and oriented to the needs and interests of clients.

Client service is an outwardly directed skill set. It requires empathy, insight, instinct and a good dose of psychology. A good lawyer knows the law thoroughly but knows his client even better.

An Ongoing Activity

While apprenticeship is the focus of the first stage in the development of leadership capability, you never stop apprenticing. There is always a new challenge to face and a new skill set to acquire.

One of the risks for new graduates is failed expectations. After all the work of law school, you graduate thinking you are a lawyer. But it takes at least five years to put those skills together into coherent execution.

Stage Two: Learning to Perform

That is Stage Two: learning to perform. At this stage, you're honing your craft to greater levels of excellence. You move beyond the execution of tactics to an integrated approach to management and problem-solving.

And it is time to step into new leadership roles with excitement, energy and some trepidation. The truth is that nobody is ever truly ready for the next stage in their leadership development. If you do feel absolutely ready, you've waited too long.

Learning to Perform: Taking Action

At the heart of the transition to leadership is this delicate balancing act of contemplation and action.

Earlier I referenced President Bush's narrowness of approach. While narrowness is a great risk, the opposite is as much of a liability. In the spirit of equal opportunity to the Democratic Party, consider President Clinton.

He is well known for the range of his intellectual interests and his tendency to engage in the details of every issue. But that range of interests and depth of engagement often paralyzed his administration. Accounts of the early years of the Clinton presidency described teams of senior advisors and the President holding "all-nighters" debating individual items of policy.

The risks of that approach are evident in the documentary “*The War Room*”, which profiled Clinton’s presidential campaign and his first 100 days in office. In a scene near the end of the film, Clinton is about to deliver his first State of the Union address. A State of the Union speech is a critical moment in a presidency. It establishes priorities and sets policy direction for the year ahead. Broadcast live on all networks, it is a true moment of leadership.

In the film, you see Clinton and his advisors go back and forth on setting certain economic targets to be named in the speech. The debate rages on so long that the final numbers still haven’t been set as Clinton enters the Capitol chamber to deliver his address.

In this striking scene, Clinton is standing at the podium, acknowledging the applause, smiling and waving. Meanwhile on his teleprompter, the text of his speech is flying by at high speed as his communications team tries to find and enter the final target numbers that have been decided just moments before.

There is a time for dorm room debates and a time for decisiveness. Excellent leaders strike a balance between listening, analyzing and open-mindedness, and the ability to act firmly. After 25 years of work, my own practice of leadership is shaped by trying to achieve that balance.

I am also always mindful of the requirement to defend my decisions not just today but five or ten years down the road. There again, my legal training is helpful. Lawyers, conscious of how the application of the law evolves over time, tend to have a long term perspective. They also commonly acquire one other very useful trait - the discipline to consider unintended consequences. As a business leader, you have to be as aware of the unintended consequences of your actions as much as the intended.

Much of learning to perform is about learning to understand outcomes and consequences of decisions.

Third Stage: Responsibility

As you absorb the responsibility of significant decision-making, you evolve into the third stage of leadership: **responsibility**. In this phase, you're stepping fully into a true leadership role in which you direct others, have responsibility for results, and contribute significantly to the advancement of your organization.

At this stage, it is particularly easy to fall prey to the many myths of leadership.

The Uniform of Leadership

A classic mistake of young leaders is to assume leadership like a performance and act in ways that they perceive a leader should act. They assume the role of the smartest or toughest person in the room, not to be questioned. But the best leaders I have seen are modest about their own capabilities, and encouraging and enthusiastic about the skills and achievements of others.

Decision-making

Up and coming managers often make the mistake of thinking that leadership is proven by making rapid, firm decisions. But my experience of leadership is that more often my greatest contributions are not from the decisions I make, but the role I play in assessing the decisions of others in the organization and preventing the bad decisions that will do damage to the organization.

Tony Blair once said: "The art of leadership is saying no, not yes."

Good decision-making is done with a long-term view in mind and a toughness of character to stick to right decisions over easy decisions.

Consider the leadership in the 1980s of General Motors, which caved into union contract demands. The long-term consequence was entrenched high labour costs that crippled GM's ability to compete against its more efficient rivals. That capitulation sowed the seeds of the problems GM has experienced this decade. The GM leaders of the 1980s aren't around to clean up their mess, but their legacy remains.

The seeds of bad leadership often don't sprout until many years later.

Crisis Management

There is also a myth that great leaders are defined in crisis. But great leaders are more often those who avoid crisis. Like a dog sled driver, a leader doesn't have to be the power driver of forward action but the guide adjusting the team from stepping off the trail or burning out their energy too soon.

Managing Change

The leader also has to adjust to change going on around him and his organization. It is impossible to anticipate the changes that will transform your business over time. Instead you need to stay nimble and responsive.

I have a striking example in my own world. Eighty per cent of the assets held by Woodbridge when I joined nine years ago are no longer part of our investments. You can never assume you know what you're going to be managing in the future.

Think back to a business leader in 1960, planning a strategy for the decade ahead. He couldn't anticipate Viet Nam. Consider the business executive of 1970. He couldn't anticipate double-digit inflation. The senior executive of 1980 didn't plan for an energy crisis and the leader of 1990 had no idea what an "internet" was. And in 1999, we were more concerned with what would happen to our computers when the millennium date rolled over than ever imagining an event like 9/11.

Leaders have plans and visions, but they must also have a health ability to adjust on the fly.

Personal vs. Positional Power

It is said that great leaders have cool heads and hot hearts. To be a true leader and successful in inspiring and directing others, you not only have to master tasks but have enthusiasm and passion for your role.

It's not enough to simply want the title of Managing Partner or President. There has to be a driving desire to succeed regardless of the title carried. If your desire to achieve a position of business leadership is based on ambition for the title, or the perks, you will almost assuredly fail to achieve leadership or, if you do achieve it, fail to discharge it well.

Holding the title is no guarantee of leadership success. In fact, the more your focus is on the position, the weaker your leadership foundation. Great leaders rely on personal power, not positional power.

Vice President Dick Cheney was recently asked by a Newsweek reporter to react to critical comments about him by former allies and supporters. Mr. Cheney's response was: "Well, I'm Vice-President and they're not." A classic example of relying on positional leadership.

Positional leadership ultimately fails because it ignores what lies at the heart of real leadership: the ability to direct and manage others. A leader only succeeds when he or she can leverage personal capabilities to lead and direct others effectively. Title and position only cannot motivate and inspire.

Keeping Promises

A major portion of a leader's energy must be dedicated to communicating outwardly and effectively to others. A leader must not just tell people what to do, but sell a vision and a strategy on how to reach those goals.

Again, legal training can be an advantage here. Articulating a thoughtful point of view, defending a position, and striking a compelling argument are fundamental skills of a lawyer, great advantages in the business environment, and essentials for effective leaders.

Inherent in that thoughtfulness is a recognition that there are credible points of view other than your own.

But selling an action plan is not the same as achieving it. The most common symptom of poor leadership is promises made, but not kept. As a leader you must not only see the way and articulate it but move forward to achieve it.

The Military Model

One of the great models of effective leadership is the military. The military model offers compelling insights into leadership in action.

Part of my admiration for military leaders is based on their remarkable dedication to their cause. Consider that Wesley Clark, the former four star general in the U.S. Army, at the peak of his military career earned an annual salary of about \$125,000 while being responsible for the lives of a quarter million allied troops in Kosovo.

There are certain fundamentals of military leadership that apply well to business. One of them is: you don't ask your troops to do anything you wouldn't do yourself. On the surface it seems a simple, motherhood concept but think how many business leaders would make different choices if they were the ones that had to implement them in the field.

The other great leadership lesson I take from the military is choosing what battles to fight. When the consequences of your decisions can put human lives at risk, your internal calculator of risk and reward becomes highly tuned. And soldiers who know their generals won't send them blindly or foolishly into every battle have the respect to follow when the choice to fight is made.

The same is very true in business leadership. You have to earn the right to lead others and you have to demonstrate respect and value for the troops you lead.

In the business environment, there is often the risk of finding yourself locked into a poor course of action simply because of an unwillingness to back down from or reverse a bad idea. Yet recognizing when to do this is one of the greatest signs of true and accomplished leader. As Henry Ford said: "Failure is the opportunity to begin again, more intelligently."

The Privilege to Lead

The other example that developing leaders can take from the military leaders is the concept of the privilege to serve. Holding a business leadership position is also a privilege but too often treated as a right or entitlement. It is a privilege to hold influence.

I have had the great good fortunate to work with two particularly outstanding leaders of organizations who have been my mentors: Jim Tory and John Tory. They happen to be twin brothers. Their individual personalities and styles are different but they share a view of leadership as a privilege and opportunity. Both balance listening with action. They also both underscore the importance of contributions outside the strict responsibilities of the job.

Jim Tory has two great qualities rarely found in one person. He has an acute intellect that features an unerring instinct to get to the heart of any problem. He is also an outgoing man with enormous personal warmth. But what ultimately made him a great leader at Torys was the way he led by example – professionally, ethically and in business terms. He didn't tell you how to do it; he showed you.

Mentors can share their experiences with you and remind you that others face similar challenges. They help you to keep your own world in perspective.

I'm fortunate that I realized this early on at Woodbridge and that I have had a great mentor in John Tory, my predecessor at Woodbridge. We have a strong, supportive relationship and continue to be close colleagues. I have relied on him for guidance. And at the same time, he has kept track of me. He watches my progress and efforts quietly. He has subtle ways of putting me back on track when he perceives that I am off focus.

Rather than land on me with a load of criticism, he makes quiet suggestions. That approach has made it much easier for me to take his advice, incorporate it, and feel strengthened rather than weakened by his feedback. I can lead with more confidence and, I hope, without arrogance.

Stage Four: Setting an Example

And that brings me to the fourth stage of leadership: setting an example.

This is the most challenging stage because it requires you to focus on making impact: it could be leading a new business initiative; evolving an organization's strategy to align with new market challenges; establishing new insights into the practice of law; or leading change at a law school.

I have seen first hand one of the greatest Canadians of our time set an example – Ken Thomson. It's been an experience of fundamental importance for me.

Ken used to say that no one would remember you simply for running a company, but that you would be remembered for making an impact on society, on community, and on people. Ken led a transformation of The Thomson Corporation to a focused information solutions company that, at the beginning of an era in which we are dependent in a fundamental way on access to and use of information, made as big an impact on our society as any contemporary Canadian businessman has. And he capped the end of his career with the gift to the Art Gallery of Ontario of his art and funding for the AGO's redevelopment project - the greatest act of philanthropy in our history.

Ken was a leader in every sense, but above all in setting an example. He did so in many ways, including service, mentoring and succession planning.

Service

The concept of service is not slick or modern yet it is the most enduring and resonant aspect of leadership in all contexts. Service can be to the organization, but also to community or country or a cause or an issue.

And if you are engaged in service outside the realm of your job, you gain major advantage in enhancing leadership skills. As I mentioned early, good leaders are worldly and engaged intellectually and personally in issues outside their narrow job descriptions.

The rewards of community service are many including expanded points of contact and working with individuals from different backgrounds and perspectives.

But the greatest benefits are selfish ones. You're able to bring your skill set outside of the context of your career and apply it in different circumstances. It becomes a great test of your true capabilities. If your skills and problem-solving strategies only work in defined positions, they're not as strong as they could be.

Seeking support

While leaders have to support the development of those beneath them, they also have to find their own support systems.

Leaders ultimately make final decisions alone. In that circumstance, it is possible to become insulated and to lose perspective. In fact, you can get suspicious or even paranoid in your belief that you are being unfairly judged by the media, the market, or your peers.

The best prevention for this tendency is to continue to seek out mentors and to regularly talk with others in similar positions. This is a valuable habit at all stages of your career and shouldn't stop when you reach a senior position. As I said earlier, you should never stop learning. At Woodbridge, I've been much more effective than I otherwise could have been because of the mentoring of Ken Thomson and John Tory.

Managing Succession

From Ken Thomson, I learned one of the most critical but least practised skills of senior leadership: planning for your own succession.

Having worked so hard to achieve their role, many leaders have a difficult time contemplating giving it up. They either hold power so tightly that they are no natural successors, or they set up destructive internal competitions for power which create factions and distract the organization from its real priorities.

Many leaders talk a good game on succession planning, but in their hearts aren't reconciled to the idea that the greatest legacy they can leave their organizations is a next generation of strong, stable leadership.

When Jack Welch handed off management of GE to Jeffrey Immelt, he succeeded in achieving a smooth transition even after having put such a personal mark on the management of GE. Welch described his leadership role at GE this way: "My main job was developing talent. I was a gardener providing water and other nourishment to our top 750 people. Of course, I had to pull out some weeds, too."

As I mentioned at the beginning, I joined Woodbridge as part of Ken Thomson's succession planning stage to ensure there would be both continuity and evolution in the management of the firm. Continuity meant there wouldn't be a rude shock as leadership in the organization changed hands. Evolution meant recognition that companies must continually adjust to new contexts, new circumstances and new challenges.

Truly successful leaders work themselves out of their own job because natural successors are ready. I'm just about to be 47 and I'm lucky to have the best job I can imagine. But I'm determined to set an example by handling well my ultimate responsibility of succession planning.

Conclusion

As I said at the beginning, I'm sure there is no magic model of leadership but rather a thousand paths. I've taken one and it has had the four stages - apprenticeship; learning to perform; responsibility; and setting an example - I've described. This is the way I analyze the development of my own career and leadership role. I think it's a good way for you and others to think about the development of your careers and your aspirations to lead. But even if that's right, you should keep two things in mind.

First, while I've identified separate stages, they are cumulative - each builds on the one before. As a result, you don't stop using the skills you've acquired. Above all, you can't afford to stop learning or relying on your mentors, however exalted your leadership role becomes.

Second, what I've offered you is simply a framework. You have to find and follow your own path.

As you do so, I encourage you to keep your perspectives and your ambitions broad. Consider your law degree not just a step in a career in law but as an intellectual and moral training that shapes you for any role in society: lawyer, community leader, politician, public servant or businessperson.

Don't think of moving from law to business as a change in career but as a natural opportunity available to you. Well-trained, smart, and energetic lawyers are invaluable resources for Canadian business and an even greater resource for our country.

The students here today will step onto their career paths from a common educational starting point. But beyond that similarity, where you go, what you do, and how you succeed will be highly individual. I've been very fortunate in the opportunities to lead that I've had in my career, both in law and in business. I wish you the same opportunities.

Thank you.

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