



HUMAN SIDE OF ENTERPRISE

DECEMBER 2003 NEWSLETTER

A periodic publication to keep in touch with our clients, colleagues and friends.

GOVERNANCE SHOULD BE MORE THAN COMPLIANCE!

The new legislation, Sarbanes-Oxley Act, which resulted from the excesses in corporate greed, unchecked power and poor oversight, have brought our collective attention to the need for good governance and board reform in corporate America. The SEC, NASDAC and the New York Stock Exchange have all proposed and/or implemented new rules and procedures aimed at complying with Sarbanes-Oxley and remedying the sins of the past.

These new rules and procedures include mandates for directors to be more independent of the influence of company management or other conflicts of interest. They require that the CEO and CFO certify the accuracy of financial statements. They explore how shareholders can have a greater and more direct influence on the company. They address the composition of the board and its committees, attempting to assure that directors who do not have a vested interest in the business look carefully and knowledgeably at the decisions of management. And they require that companies adopt a code of ethics.

Public companies have spent thousands of hours and millions of dollars in the past year in the effort to comply with Sarbanes-Oxley (not so affectionately shorted to "SOX"). The requirements for compliance and documentation have become so onerous, that many boards and executives feel they have little time to do anything other than "be in compliance." While these reforms may address some of the issues related to lack of careful oversight or abuse of power, they may cause boards to lose their focus on effective process of governance. For example, rather than look at which board members might be most effective on a particular committee, the focus is first and foremost on whether the composition achieves compliance with requirements to

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LESLIE DASHEW, PRESIDENT
HUMAN SIDE OF ENTERPRISE

POWER, AUTHORITY AND INFLUENCE: CAPTURING, DEVELOPING AND FULLY UTILIZING ENERGY

I recently heard an address by Peter Schutz, the former President and CEO of Porsche AG. He was exhorting a group of CEOs to think about the importance of their role in inspiring their "ordinary" employees to extraordinary performance. He posited that the greatest competitive advantage of a business is the ability to convert the energy of these so-called *ordinary* employees into great performance.

Thus, the most important skill a CEO (or any manager for that matter) can develop is to become *credible* to employees by:

- being accountable to them by understanding what is important to them, what they can and wish to do;
- communicating a compelling vision;

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HUMAN SIDE OF ENTERPRISE MISSION

Our mission is to enhance the effectiveness of our clients (both individuals and organizations) through consultation and training services. We are committed to creating a partnership with our clients to foster the attainment of their personal and professional goals through the most efficient, ethical, and qualitative approaches. Our ability to serve depends upon our growth as well. Thus we seek opportunities to learn from our partnerships and strive for open communication.

SERVICES

CONSULTATION SERVICES

- Organizational Development
- Team Building
- Consultation to Management
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- Managing the Family in Business
- Developing Boards of Directors
- Speeches on Personal and Family Issues
- Partnering for Success

COMMUNICATING WITH HUMAN SIDE OF ENTERPRISE

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THE ASPEN FAMILY BUSINESS GATHERING

August 5-8, 2004

The Gathering is a highly interactive, informal conference for families in business. Limited registration provides small group interaction to enhance learning from other business owners as well as from the Associates of The Aspen Family Business Group. Each Associate is a nationally and internationally recognized professional whose life's work is helping family business grow and prosper.

Each day of The Gathering includes approximately four hours of seminars and workshops, all designed to encourage participant involvement and maximum exchange of ideas. You will select the sessions you think will be most valuable for you. We provide a range of workshop topics designed to fit the specific interests of the people in attendance.

The Gathering has a definite informal tone and is designed so that attendees can take full advantage of the program, as well as enjoy the summertime beauty and wide range of attractions found in Aspen and the Roaring Fork Valley. The activities range from the Aspen Music Festival, hiking, biking, fly fishing, rafting, horseback riding and hot air ballooning, to all the other things that make Aspen a highly-desirable destination resort.

The Gathering is designed to be accessible to everyone in family business. A nominal registration fee of \$750.00/each for the first two family members, \$650.00/each for the second two family members and \$550.00/each for all additional family members is charged to defray the cost of meeting rooms, materials and group meals. This year we will again hold the Gathering at the Snowmass Club Resort. Contact us at www.aspenfamilybusiness.com or at 877 ASPNGRP (877 277-6477) to register or get further information.

New Website!

www.lesliedashew.com

**You can now learn about Leslie Dashew,
publications, articles, and events
and contact us at our new website.**

THANKSGIVING ADDRESS

Greetings to the Natural World: Words Before All Else

Earlier this year, I visited Ontario, Canada and met a wonderful Mohawk woman who shared a book containing the Thanksgiving Address. I was moved by the beautiful manner in which gratitude was expressed. Further, this address reinforces several of the qualities we believe are important to solidarity in families: heritage, shared vision and being of one mind. I hope you enjoy the Thanksgiving Address.

~Leslie Dashew

Introduction

These words of thanksgiving come to us from the Native people known as the Haudenosaunee (also Iroquois or Six Nations-Mohawk, Oneida, Cayuga, Onondaga, Seneca and Tuscarora) of upstate New York and Canada. The Thanksgiving Address has ancient roots, dating back over a thousand years to the formation of the Great Law of Peace by a man called the Peacemaker, and perhaps before that. Today these words are still spoken at the opening and closing of all ceremonial and governmental gatherings held by the Six Nations.

A speaker is chosen to give the Thanksgiving Greetings on behalf of the people. They choose their own words, but the general form is traditional. It follows an order in which we can relate to all of the Creation. The Address is based on the belief that the world cannot be taken for granted, that a spiritual communication of thankfulness and acknowledgement of all living things must be given to align the minds and hearts of the people with Nature. This forms a guiding principle of culture.

We believe that all people at one time in their history had similar words to acknowledge the works of the Creator. With this in mind, we offer these words in a written form as a way to reacquaint ourselves with this shared vision. Our version of the Thanksgiving Address has been modified for a young, general audience-it has been shortened and many specific references to the culture of the Six Nations have been generalized. We hope this will enhance the accessibility of the words for readers around the world.

The People

Today we have gathered and we see that the cycles of life continue. We have been given the duty to live in balance and harmony with each other and all living things. So now, we bring our minds together as one as we give greetings and thanks to each other as People. Now our minds are one.

The Earth Mother

We are all thankful to our Mother, the Earth, for she gives us all that we need for life. She supports our feet as we walk about upon her. It gives us joy that she continues to care for us as she has from the beginning of time. To our Mother, we send greetings and thanks.
Now our minds are one.

The Waters

We give thanks to all the Waters of the world for quenching our thirst and providing us with strength. Water is life. We know its power in many forms-waterfalls and rain, mists and streams, rivers and oceans. With one mind, we send greetings and thanks to the spirit of Water. Now our minds are one.

The Fish

We turn our minds to all the Fish life in the water. They were instructed to cleanse and purify the water. They also give themselves to us as food. We are grateful that we can still find pure water. So, we turn now to the Fish and send our greetings and thanks. Now our minds are one.

The Plants

Now we turn toward the vast fields of Plant life. As far as the eye can see, the Plants grow, working many wonders. They sustain many life forms. With our minds gathered together, we give thanks and look forward to seeing Plant life for many generations to come.
Now our minds are one.

The Food Plants

With one mind, we turn to honor and thank all the Food Plants we harvest from the garden. Since the beginning of time, the grains, vegetables, beans and berries have helped the people survive. Many other living things draw strength from them, too. We gather all the Plant Foods together as one and send them a greeting and thanks.
Now our minds are one.

The Medicine Herbs

Now we turn to all the Medicine Herbs of the world. From the beginning, they were instructed to take away sickness. They are always waiting and ready to heal us. We are happy there are still among us those special few who remember how to use these plants for healing. With one mind, we send greetings and thanks to the Medicines and to the keepers of the Medicines.
Now our minds are one.

The Animals

We gather our minds together to send greetings and thanks to all the Animal life in the world. They have many things to teach us as people. We see them near our homes and in the deep forests. We are glad they are still here and we hope that it will always be so.
Now our minds are one.

The Trees

We now turn our thoughts to the Trees. The Earth has many families of Trees who have their own instructions and uses. Some provide us with shelter and shade, others with fruit, beauty and other useful things. Many peoples of the world use a Tree as a symbol of peace and strength. With one mind, we greet and thank the Tree life.
Now our minds are one.

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be independent. Rather than a full and open dialogue on strategic business issues, the board may find itself utilizing precious board time reviewing, learning about and documenting compliance with the current batch of new regulations.

The issue is how to assure that we have a culture of healthy governance in all of our organizations. Regulations and laws come into being on a periodic basis in an effort to swing back the pendulum when it goes to far to the side of some type of abuse or neglect (from civil rights, to education for handicap children to police brutality). However as the pendulum swings to the extreme with legislation, we often find that people go through the motions of compliance, not really adopting the spirit of change. The culture of governance (rather than regulation) would assure that there are checks and balances on power, that accountability to stakeholders is taken seriously by all leaders and that directors are engaged in thoughtful, careful consideration of the use of corporate assets through disciplined engagement in dialogue with others directors, independent advisors and management.

Culture is defined by values, rituals, and heroes. We went through an era when the "imperial" CEO was a hero in corporate America. He rode into a troubled company on his white horse and "single-handedly" turned around the company while the board and shareholders applauded, giving enormous power and perks to this hero. The values included quick return on investments, slashed costs and charismatic leadership. The dot com culture was also characterized by flashes of brilliance, speed of growth and a more quirky type of charismatic leadership (read: "nerdy"). In both types of culture, much power and oversight was handed over to the charismatic leader. Boards were seen as cheerleaders who enjoyed rituals of lavish entertainment, flashy presentations and brief appearances to show support for the (CEO's) flag.

If we are to develop a culture of healthy governance, our heroes should be the board members and company leaders who are able to bring intellectual capital and discipline to the organization, who understand how to engage in dialogue about the strategic issues which are critical to the organization, who can be a good corporate parent, if you will, who both coaches the CEO and holds him or her accountable for appropriate behavior and return on investment. Our values would include building healthy organizations that last, balancing long term success with shorter term trends in growth, and the capacity to think together about tough issues, rather than trying to obfuscate bad news or disguise poor character. Rituals such as private meetings of independent

directors, confidential 360-degree evaluations of the CEO, and periodic strategic retreats for directors and key executives to explore critical success factors all provide opportunities for more substantive communication and good governance.

As the pendulum swings this time toward accountability through legislation and regulation, it is important that business owners, directors and CEOs capitalize on the interest in governance to create the culture which will increase the probability that good governance will outlive the current fad. The process of good governance must be in place rather than the motion of compliance.

NEW BOOK!!

Health, Wealth and Families How to Assure Your Wealth Helps, Not Hurts, Your Family... is a wonderful new book by Leslie Dashew

In this book, Ms. Dashew provides excellent understanding of the dilemmas faced by affluent families and guidance on how to raise children who are healthy and well adjusted.

Many families of wealth worry that their children or grandchildren will be spoiled, waste their assets, be taken advantage of by gold-diggers and/or become lazy, addicted or destructive. Health, Wealth and Families gives the reader perspective on the challenges faced by these families and a framework for understanding how to help children grow up emotionally healthy and with the skills to manage their assets effectively. The author goes on to share how families can conduct family meetings, discuss values and dreams and learn to steward shared assets in a productive fashion.

Health, Wealth and Families was published this year by Beowulf Publications and is available at Human Side of Enterprise, on line at www.lesliedashew.com and at Amazon.com for \$15.00 plus shipping and handling.

WOMEN IN FAMILY BUSINESS VIII

Health, Wealth and Happiness: Can You Have It All?

March 11-14, 2004 Miraval Life in Balance Resort, Tucson, Arizona

For the eighth year, we will be hosting the program for women in family business and women of wealth at Miraval Life in Balance Resort in Tucson Arizona. The program was initially designed to provide women a place to talk freely about the issues related to being in a family that has a business or wealth. Women have come from around the world to attend these programs as they provide safety, information, perspective and camaraderie with others who share similar dilemmas.

This year, we will address the dilemma, “Can you have it all???” And if so, how?!!”

Last year 150 women attended the program on this topic keynoted by Leslie Dashew in Bermuda. The response was so wonderful that we decided it would be the focus of our program this year...for our small group. As always, the program offers insight into the challenges of multiple roles: being a family member and being in business together; feeling entitled to input into management of assets, but feeling limited in the ability to be heard; how to be fair and just. In addition, we will look at how women struggle with many roles and find it hard to take care of themselves.

Health, Wealth and Happiness...Can you have it all? We say, “Yes!”

It takes wisdom to make it happen. And women co-create wisdom when they have the right setting, the time and other women who are facing the same dilemmas. The exploration of these issues is facilitated by Leslie Dashew in the magnificent, nurturing setting of Miraval Life in Balance Resort.

The program offers opportunities to listen to new ideas and the experiences of other women and to have time to reflect on your own life. We also have time for a bit of pampering at the spa each day. The program begins Thursday, March 11 at 4PM and concludes Sunday with lunch.

Registration and Fees

The program will be limited to 30 participants,... so register soon!

The program registration fee for Women in Family Business Program is \$650 for the entire long weekend. Miraval is giving us a special rate of \$499/person/day (single) or \$425/person double occupancy/day (plus tax and gratuities). This price includes luxurious, casita-style accommodations; all meals, snacks, and (non-alcoholic) beverages; access to all group programs and activities; one personal service or one round of golf per day; use of the entire facility; and round-trip airport transfers. In other words... all-inclusive accommodations (normally more than \$600 per night!). Make your reservations directly with Miraval at 1 800 825-4000 for the room.

For more information and *to register for the program*, please contact us at Human Side of Enterprise at (480) 419-4243 or via e-mail at azaphirio@aol.com

- helping them see how implementing that vision is important to them; and
- keeping in regular contact with them about progress toward that vision.

Schutz made the case that it is essential for managers to understand that while they have authority in the business, they need the *cooperation* of employees (and other stakeholders). He pointed out that in many other countries, people's survival depends on keeping the job they have and simply flaunting authority ("do this or I'll fire you!") is enough to ensure cooperation. However, our economy and culture has, by and large, allowed employees to live beyond "survival" level and thus we need to *engage* the cooperation of employees-particularly if we want their hearts and minds (i.e. full energy and creativity)- not just their labor. He said we must find a way to "accommodate" their interests as we seek to engage them in implementing our decisions.

Up to this point, what Schutz presents is congruent with most management thinking since the early 1960s when Douglas McGregor wrote *The Human Side of Enterprise* and demonstrated the power of employee participation and engagement. What I found of particular interest was his comparison of *authority, power and influence* and the implications for leadership and management.

Authority:

The party with authority has the legal right to decide yes and no. If you have only the right to say "no" you do not have authority (e.g. a sales person who has the right to turn down a deal with a prospect, but must go to his/her manager to say "yes" to an offer that is outside of the ordinary, does not have authority.) In most companies, the owners have all of the authority. They can choose to delegate that authority to the Board of Directors or the CEO, or retain it all for themselves.

In organizations that are growing, it is imperative that authority is delegated or leadership creates a bottleneck. Further, a changing environment requires the company to be agile and respond quickly. Distributed authority allows a company to respond much faster than one in which the authority is retained too tightly at the top. When authority is delegated, it is important that it be accompanied by a clear explanation of the limits of that authority and how to check should there be a question. For example, most CEOs have the authority to make operating decisions, but not decisions about acquisitions, sale of the business or mergers. For that, the board retains authority. The line is clear.

Power:

Power was defined as the capacity to grant or withhold cooperation. Interestingly, Schutz believes that you cannot

have authority *and* power. For example, you may have the authority to decide a course of action for the business, but you cannot implement that course of action without the cooperation of the employees: they have the power to cooperate or not. Thus, the ability to influence becomes very important.

Influence:

Influence, then, is the ability to persuade. With persuasion, one considers what is in the interest of the individual whose behavior you are trying to effect and align those interests with the desired behavior. Aligning the interests of employees with the vision of the company is preferable to exercising authority ("bullying") or manipulating them which often backfires. Critical to the influence process is the ability to understand what motivates an employee, i.e. what they value, their goals and/or the incentives you have which will engage their motivation. (Motivation is an internal process; you cannot "motivate" another person. You can create incentives for them.)

The lessons from this presentation go beyond Schutz's goal of encouraging CEOs to lead employees to extraordinary performance.

For one, in order to efficiently and effectively implement a plan, we need full engagement of an employee. If we wish to grow our organization, we must delegate responsibility and authority. If we are interested in assuring continuity of the business beyond our leadership, it is essential to do both: engage our employees and delegate authority.

Finally, on an individual level, understanding where we each have authority, power and/or the ability to influence allows us to consider what it is we want to accomplish and how we might engage others in helping us accomplish our personal or professional vision. Some questions to begin the thought process:

- As an owner, what practices or behaviors allow you to feel comfortable allocating authority to a board or a CEO (from within the family or an "outsider")?
- As a parent, when do you shift from using authority with your offspring to using influence?
- What is the vision you seek to implement? Is it clear to you? Can you describe it in a fashion that is compelling to others and will garner their support?
- Where do I have power that I have not recognized and how can I utilize that resource to help me achieve my goals and dreams?

The Birds

We put our minds together as one and thank all the Birds who move and fly about over our heads. The Creator gave them beautiful songs. Each day they remind us to enjoy and appreciate life. The Eagle was chosen to be their leader. To all the Birds-from the smallest to the largest-we send our joyful greetings and thanks.

Now our minds are one.

The Four Winds

We are all thankful to the powers we know as the Four Winds. We hear their voices in the moving air as they refresh us and purify the air we breathe. They help to bring the change of seasons. From the four directions they come, bringing us messages and giving us strength. With one mind, we send our greetings and thanks to the Four Winds.

Now our minds are one.

The Thunderers

Now we turn to the west where our Grandfathers, the Thunder Beings, live. With lightning and thundering voices, they bring with them the water that renews life. We bring our minds together as one to send greetings and thanks to our Grandfathers, the Thunderers. Now our minds are one.

The Sun

We now send greetings and thanks to our eldest Brother, the Sun. Each day without fail he travels the sky from east to west, bringing the light of a new day. He is the source of all the fires of life. With one mind, we send greetings and thanks to our Brother, the Sun.

Now our minds are one.

Grandmother Moon

We put our minds together and give thanks to our oldest Grandmother, the Moon, who lights the nighttime sky. She is the leader of women all over the world, and she governs the movement of the ocean tides. By her changing face we measure time, and it is the Moon who watches over the arrival of children here on Earth. With one mind, we send greetings and thanks to our Grandmother, the Moon. Now our minds are one.

The Stars

We give thanks to the Stars who are spread across the sky like jewelry. We see them in the night, helping the Moon to light the darkness and bringing dew to the gardens and growing things. When we travel at night, they guide us home. With our minds gathered together as one, we send greetings and thanks to all the Stars. Now our minds are one.

The Enlightened Teachers

We gather our minds to greet and thank the enlightened Teachers who have come to help throughout the ages. When we forget how to live in harmony, they remind us of the way we were instructed to live as people. With one mind, we send

greetings and thanks to these caring Teachers. Now our minds are one.

The Creator

Now we turn our thoughts to the Creator, or Great Spirit, and send greetings and thanks for all the gifts of Creation. Everything we need to live a good life is here on this Mother Earth. For all the love that is still around us, we gather our minds together as one and send our choicest words of greetings and thanks to the Creator.

Now our minds are one.

Closing Words

We have now arrived at the place where we end our words. Of all the things we have named, it was not our intention to leave anything out. If something was forgotten, we leave it to each individual to send such greetings and thanks in their own way.

And now our minds are one.

Originally published as Thanksgiving Address: Greetings to the Natural World by The Tracking Project. Copyright 1993 by The Tracking Project and the Six Nations Indian Museum. Reprinted by permission.

Additional copies of this address (in many languages!) can be obtained from:

**Thanksgiving Address Fund c/o The Tracking Project
P.O. Box 266 Corrales, New Mexico 87048 U.S.A.
phone/fax 505-898-6967**

What is the Tracking Project

Founded as a non-profit organization in 1986 by John Stokes, **The Tracking Project** (TTP) in Corrales, New Mexico has worked with community educators and Native elders from around the world to design a series of teachings which connect individuals directly to the natural world. The programs of natural and cultural awareness include a wide range of skills from traditional tracking and survival skills to music, storytelling, dance, peacemaking and martial arts training. The name *Arts of Life* was chosen to describe these programs which emphasize indigenous knowledge, the lessons of Nature and the power of art.

Over the past seventeen years a diverse team of artist/educators and traditional Native elders from TTP have shared this unique awareness program with more than 100,000 people of all ages. Through *Nurturing the Roots*, a community mentor program, the work with the international community now includes partners/programs in Hawaii, Brazil, the Philippines, Sweden, Japan and Australia.

Children, the preservation of wildlife, biodiversity and the integrity/ vitality of Native cultures in the global indigenous network have been the focus of TPP's work. Their programs actively support cultural survival and community revival.

*With Best Wishes for a
healthy, happy, prosperous
and above all peaceful 2004*

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