

BUSINESS SUNDAY

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SECTION D

TOUGH TIMES STRONG LEADERS

Goals: Listen. Encourage. Act

This conversation was moderated by Dawn Gilbertson, senior business reporter at The Arizona Republic. Comments have been edited for space.

Question: *What are the most critical skills you have had to use? Are they skills you already had or that you had to learn?*

Lydia Aranda: "A lot of times in times like these, you see extreme behavior out of people and extreme reactions. One of the natural reactions is for everyone to get into protective mode, which usually means, 'What do I need to do to help myself?' or my company or my division or whatever the case may be.

Sometimes you have to rise above that to really say, 'What do I need to do to help all of us?,' whatever the bigger group is. And in doing that, you can come up with better solutions. And it's not easy."

Elise Eberwein: "I think a critical skill is prioritization, helping people set their priorities, because there is so much out of our control. Every human being every day needs to accomplish something.

"If you have a large group of people, then motivate them to just think about the longer term — when we come out (of the recession), not if, but when. Out of times of despair comes great opportunity. So getting them to think about that and to prioritize their projects, even day-to-day projects, I think is really key."

Managers also need to keep employees focusing on the right priorities, she said.

"They just want to control something, and a lot of times it's checking off the non-easy things, and you miss the one big one. And that's the one that would have driven your company, your project or initiative."

Ioanna Morfessis: "I have found that these current times bring out both the worst and the best in people. ... What I find myself doing is trying to deliver more acts of kindness and being more patient and, you could say, walking people through."

She tells clients that even though economic conditions aren't going to be that great soon, over the long term, every business cycle that goes down comes back up.

"I think the most important message for me and mostly for my clients is encouragement. I always end every conversation with, 'Onward and upward.'"

Christine Wilkinson: "I can think of two words. One is 'focus' and the other is 'facts.' It's really easy for everybody to get out of sorts and focus on this part, this part, this part instead of what I've said, which is focus, forward. Focus forward. 'This is where we are. Where do we need to go?' and keep it strategic.

"The other, which occurs because of these times, is that people don't really find facts. So rumors are constant, misinformation and rumors and miscommunication."

It's important, she said, to "help people keep focusing on what it really is, vs. what they think it is."

Lynn Paige: "The skill I needed is patience. I have none. It's not a gene I possess. And I had to spend a lot of time working on that.

"I don't receive negativity very well. So for me when there is all the gloom and doom and all that type of thing, I just can't buy into it. Don't want to. Don't choose to. Just not my thing. ... And I feel like I have gained some in my skill with that. It has helped me a lot because there are a lot of people around who don't share the same type of personality I have. So they need to

WHO THEY ARE



Christine Wilkinson

Current job: Senior vice president and secretary of Arizona State University; president, ASU Alumni Association.

Professional history: She has held about 15 different positions at ASU, including professor, vice president of student affairs and in-

terim athletic director three times.

Other: Has sat on boards for St. Joseph's Hospital Foundation, Arizona Hospital and Healthcare Association, Southwest Autism Research and Resource Center, St. Luke's Health Initiatives and the American Red Cross.



Ioanna Morfessis

Current job: President and founder of IO Inc. Morfessis is a consultant, advising companies and communities on growth and location decisions.

Professional history: President and CEO of Economic Alliance of Greater Baltimore, May 1997-December 2003; founding presi-

dent of the Greater Phoenix Economic Council, 1989-1997.

Other: Chairwoman of the International Economic Development council; founding director of Helios Education Foundation; founding member of Arizona Arts, Sciences and Technology Academy.

have someone that has the patience to understand what it is they are going through, issues and things that are affecting them differently."

Q: *As a manager, what do you find yourself doing more or less of than normal? And in this "new normal," is there any silver lining — something you will not stop doing once things better?*

Elise Eberwein: Communicating.

"One of the key differences (between men and women leaders) is women are very focused on hearing, listening and comprehending others' diverse viewpoints and then sharing those within the organization in a way that's non-confrontational and non-threatening.

"With men, if it's not matching my view, it's a threat and therefore I must attack it, push it down. And that's just not productive. So I think bad times bring about the opportunity to open people's minds to hearing all sorts of opinions, from the security guard to the mechanic to the pilot, the CEO, or whoever it might be."

Christine Wilkinson: "I think overcommunicating is really important in these times. I think offering people an opportunity to be part of the solution during these times, across all levels, is really important."

When ASU learned that employees were going to have to take furloughs, she said some agreed to take furloughs and others agreed to take a pay cut and work through that time.

"They were absolutely creative, really wonderful. I think in a down time, more people are willing to help when they understand a common goal. They will really step up, and they will actually do more work than they normally do."

Ioanna Morfessis: She said she has been reaching out to more people across the country that she hasn't had the time to talk to in recent years because they may have heard about Phoenix being ground zero for foreclosures and other economic problems.

As for a silver lining, she is seeing more community service.

"Many of my clients, especially in the professional services with a lot of time on their hands, are volunteering a lot more. Lawyers are doing more pro bono work, for example. Financial professionals are actually working in food banks. And so I think a lot of good is coming through this 'new normal.'"

"And hopefully, moving forward, we will see a lot more good emanating from our community and especially from the business community."

Q: *What are some successes you have had in keeping people inspired and engaged?*

Lynn Paige: "We have taken the time to pull everybody together, to really have opportunities for them to understand our corporate vision and what our responsibility in the energy world is, what new types of energy technology we want to take on as a company, and really celebrate some of the milestones."

The company had a company picnic to celebrate a solar project it did for Phoenix in conjunction with a public-art project downtown.

Christine Wilkinson: The ASU alumni group she heads has "birthaversaries," which are staff-driven monthly celebrations of birthdays or key anniversaries that don't drain the budget. Once, for example, celebrants during the Olympics Games were treated to Wheaties boxes with their pictures on them. She said it draws the staff closer and helps them better understand what their roles are.

Elise Eberwein: "You land (a plane) on a river."

She said the skill that US Airways Capt. Chesley B. Sullenberger III showed when he successfully landed on the Hudson River Jan. 15 — saving the lives of 150 passengers and the crew — was a major morale booster.

"It was rallying for the whole country, the world. Like that rescue of the captain on the sea from the pirates, this stuff is like a fairy-tale book.

"That (landing on the Hudson River) was such a shot in the arm to pilots and flight attendants who have lost pensions and aren't always treated like professional aviators.

"It gave our company something to be proud of and rally around despite all the doom and gloom you hear."

Q: *Are women gaining or losing influence in Arizona business, political and non-profit circles?*

Christine Wilkinson: Beyond prominence in politics and government, she said women are doing "extremely well" in non-profits and has seen a definite shift over the past four or five years in more women moving to higher positions, even at the CEO level, in health and medical companies. They also have done well in education, she said, although "the bottleneck at the top gets tight there."

Ioanna Morfessis: Morfessis, who has spent her career in Maryland, Arizona and Washington, D.C., said, "I think it is lonely for women coming in from out of state who are accustomed to having a lot of women executives."

WHO THEY ARE

Lydia Aranda

Current job: Vice president, regional director-diverse segments for Wells Fargo Bank. Oversees strategic growth in Arizona, New Mexico, Nevada and Oregon.

Professional history: She was director of small-business development for the Arizona Department of Commerce from 2003 to 2006.

Other: Community service with Chicanos Por La Causa, national Center for American Indian Economic Development, Phoenix Children's Hospital Advisory Council.



Elise Eberwein

Current job: Senior vice president, people and communications for US Airways, overseeing human resources, communications planning, executive communications, media relations and employee communications.

Professional history: More than 20 years in airlines including TWA and Frontier, including a stint as flight attendant.

Other: Master of business administration degree from Colorado State University.



Lynn Paige

Current job: Chief executive officer of Perfect Power Inc., a Scottsdale company that sells rooftop solar systems.

Professional history: 30 years' experience includes positions as CFO for a mechanical contractor and co-founder of Solutions Forum LLC, a consulting company.

Other: Chairwoman of Women's Enterprise Foundation and National Association of Women Business Owners; member of Phoenix Green Chamber of Commerce.



She said that when she returned to Arizona in 2004 after working in Baltimore for 6 1/2 years, she was shocked that there were so few women in corporate leadership positions and that women had not progressed more in her time away.

Meanwhile, she said, women need to understand that corporate leadership has changed.

"The role of any executive, regardless of male or female, is different. The demands are global. They have got to be focused on shareholders and then, of course, batten down the hatches in dealing with this current duress. (*Her word for depression and recession*)"

"It's very different. There aren't enough women, obviously."

Lydia Aranda: "I agree. Much of what happens as far as next steps usually means going somewhere else ... It's a stop on the way, or people are coming in on the way to something else.

"We have lots of fabulous women who are doing great, great things. But they are either owning their own companies or they are within a corporation.

And at some point, they know they will either have to leave that corporation to stay here to do something else, most often in the public sector or non-profit. Or they will have to go elsewhere."

A time to take risks, seize opportunities

LEADERSHIP

Continued from D2

Q: Donald Keough, former president of Coca-Cola, recently wrote the book "Ten Commandments for Business Failure" in which he said one way to fail is to quit taking risks. What do you see as a sure way to fail in an environment like this?

Lydia Aranda: Cutting back too much. "The decision is 'We have to cut everything off. No travel at all or no overtime or no more advertisements. We can't do anything for the clients anymore.' It's a very extreme reaction.

"Cutting everything off is just a knee-jerk that doesn't serve a strategy. You may have to reprioritize or allocate funds differently, but things have to go on. You have to take the risk that we are still going to go after that client, or we're still going to try to serve the public."

Christine Wilkinson: She said leaders need to "relearn how to listen."

"It's very easy for them to cut off people as they try to speak. And this is probably the time when they need to hear alternative voices in the decision process, and I don't see that happening.

"While some (organizations or companies) are slashing, others are just holding back. They are not sure where to go. And so you are seeing ineffectual leadership of holding back (like), 'Well, let's go over that again. Let's analyze it again.' ... You are so risk-averse you keep asking for more data."

She also said leaders tend to avoid listening to people are more challenging or different. "You want to hear individuals who are not like yourself," she said.

Lynn Paige: When the economy went south, she said she told her workers that she didn't have all the answers. But they came up with some. A solar installer, for example, volunteered to help promote energy firms in the state.

"I cannot tell you the amazing brain trust that I have right there. I have made it a real habit to hire a very wide, diverse group in our company. ... And in that short period of time while everyone is running around trying to lay everyone off, trying to figure it out, I decided to use the people we have and what they know."

The company also took advantage of lower costs and moved to a larger building and had a huge grand opening.

"This is the time we want to honor our vendors, honor our employees, honor our customers," she said.

Elise Eberwein: "The people who will come out of this in five or 10 years who are going to be doing really well are going to be the people sitting here looking at this like opportunity ... You just have got to look way forward and understand that opportunity will come out of it. And a lot of that we have to create ourselves."

— Compiled by
Betty Beard and
Dawn Gilbertson

Arizona's long-term future needs attention, panel says

From their various vantage points, the five women executives worry about long-term prospects for Arizona's economy.

Lydia Aranda: "Just because production is still going on or lending is still going on, people still have jobs, people are still buying houses and consuming goods and things like that, that does not mean we are out of the woods. 'I think particularly in our country not only do we get emotional and react and overreact to the extreme, but then where there's one sign of good, we just completely say, 'Oh it's better now.' And that's not the case. ... It's going to be quite some time before we are really out of the woods."

Ioanna Morfessis: "Phoenix, because of our continued dependence on a one-pony economy, meaning growth, historically has been the first to go into a real-estate recession and one of the first to emerge. But I don't think that is going to be the case now.

"We will probably have a jobless recovery because many of these jobs (that have been cut in the state) are not only nonexistent, but they are probably going to go offshore. And they (jobs leaving) are not just going to be back-office jobs or low-wage jobs, because other countries have emerged very strongly as centers of intellectual capital."

Arizona's economy, she said, will be one of the last major metropolitan economies to be "fully restored" unless it can diversify.

Christine Wilkinson: She said it is frustrating that education, an important economic development and business recruiting tool, is taking deep budget cuts.

"I hope we don't allow us to be the one that's at the bottom of every indicator when you stack up the states."

Educators used to say education in Arizona was state-supported, she said. Then they said it was state-assisted. "Now we just say we are state-located."

Elise Eberwein: "Recruiting-wise, bringing in executives to US Airways headquarters, the No. 1 question we get is education. Package aside and compensation aside, it is the very next issue."

The airline has lost potential executives because of that issue, she said. "They don't want to come for two reasons. One, if it doesn't work

out, there's not a lot of other Fortune 500s where they can go. And if they are going to pick up and move their families from New York, D.C., even the Midwest, and come here, there has got to be something not just for the executive at work. It's got to be about the whole family. And that comes down to education and other opportunities."

Lynn Paige: She said the energy business is good to be in now because the public finally is understanding the need for new energy sources. But she worries that businesses and politicians don't understand the field.

"What I see frightens me so much about the way we are throwing money at energy without a plan. We are doing that in Arizona (by saying) 'Let's attract manufacturing,' without looking at a plan. OK, but who is going to buy that product and where is the market?"