



April 11, 2008

Watco Team:

As I continue to discuss the “Lombardi Rules” that can help us all become better individuals and leaders, this week I will introduce rules 11, 12 and 13. Here is a summary of rules 1 through 10.

RULE #1: Ask yourself tough questions.

RULE #2: Look the truth straight on.

RULE #3: Play to your strengths.

RULE #4: Write your character.

RULE #5: Think big picture.

RULE #6: Be committed.

RULE #7: Work harder than everybody else.

RULE #8: Be prepared to sacrifice.

RULE #9: Be mentally tough.

RULE #10: Balance humility and pride.

RULE #11: Lead with integrity: This is the point where Lombardi transformed strength of character into leadership. Once it is determined that the troops are dedicated to the purpose, it is time to turn character into leadership by action. This meant that Lombardi would display an even greater commitment and drive to the team. He did this not by actually playing on the field, but by his dedication to coaching. He always came early and left late. He rarely took a day off.

Successful leadership is a commitment of your life, which has a consequence to other parts of your life. Before you step into this role, you must weigh the cost of leadership and decide not only if you are committed to the sacrifice, but if others in your life are as well. I’ve always commented that one of the most important people behind the success of any leader is their spouse. As much as the leader sacrifices, the spouse does as much or more. This is certainly true in my case and my wife Karen has been a great source of strength and encouragement throughout my (our) career. This commitment and dedication is an absolute necessity because true leadership means the leader must live a life that is even more dedicated to the achievement of the purpose than the team. Do we understand what this means in our leadership role and are you and those in your life dedicated to living the life as a leader?

RULE #12-Build team spirit: According to Lombardi, team spirit is the true strength of any organization which is fostered from three sources:

1. *Common goals* focus the energy and drive of the entire group to the achievement of a common purpose. Anyone who has competed in team events understands the personal boost in energy and drive that comes from knowing that others depend on you to contribute to the success of the team.
2. *Complimentary skills* and abilities is the mix of talents among a group of people that combine strengths in a synergistic manner to produce the greatest good. All of us have

strengths and challenges. The advantage that a team possesses is that the right mix of people can fill in the gaps and provide a stronger whole. Leadership entails the ability to recognize talent and to combine individual strengths into a cohesive force that together can achieve much more than any single element.

3. *Proper management and accountability* must be applied to the right mix to achieve a desired result. This begins by developing a plan, which then defines expectations for each member of the team. These expectations must be clearly communicated to each team member so they understand the performance they must achieve. Measurements must be developed that provide an accurate gauge of actual performance. Then actual results must be evaluated against expectations. The evaluation must be communicated to each team member to inform them about where they stand. Finally the coach must teach and develop the players for achievement of higher levels of performance. An important part of the coaching process is the assessment of reward and accountability at the appropriate times. Lombardi emphasized the importance of togetherness, inclusiveness and solidarity among the team that galvanized the energy and talents of the team, rather than a single player. Players were taught to support each other in the pursuit of shared goals. True leadership bonds rather than divides.

RULE #13: Explain why: There are two things to remember when it comes to Leadership. First, the true strength of an organization is realized when the organization drives itself rather than depending on a single person. Second, the way leadership enables the true strength of the organization is through teaching and coaching, not telling and demanding. It is through the development of knowledge that a leader enables the organization to understand the reason for certain actions as it pertains to the big picture. Once the reasons are understood, each player understands the role and purpose they have in the organization and the impact their performance has on the whole rather than in isolation.

This understanding and knowledge empowers the player to act in accordance with the needs of the team rather than acting in opposition. If the player simply did what the coach told him on every play, performance of the team would depend on the single coach more than the collective minds and talents of all the players. This is why certain companies like GE and Jack Welch or Citigroup and Sandy Weill struggle when a dynamic leader departs.

There are three important things to remember to be a great teacher. First you must teach at a level so that all members of the team understand. If even one player in a game makes a mistake, it diminishes the performance of the entire team. Second, teaching should always start with “why” before “how”. Everyone, even the laborers in the field want to be engaged mentally and not just physically. Understanding why is what truly empowers people to act on their own in concert with the whole. Third, Lombardi had a talent to make even the most mundane things seem important. Execution of the basics and attention to details is what separated the Packers from everyone else.

As leaders we must ask how we manage. Do we just tell people what to do or do we invest the time to teach and develop our people. What are the standards we set for performance? Do we let

the details slide or do we maintain a constant and consistent standard for performing even the most common of details? Our decisions as leaders in this regard will determine the level of success of the team we are coaching.

Thanks for all you do for our Customers, People and Company.

A handwritten signature in black ink, appearing to read "T. D. ...", located below the text.