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WHERE EAGLES SOAR INC.
16 Mountainview Rd. South, #301
Georgetown, Ontario, Canada. L7G 4K1
Tel: 905-873-7733
Pat Palmer – Principal & CEO
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Dynamics 4 Leadership Transformation

Leadership is the performance catalyst in life. Whether it is the sports field, the combat zone, the political arena or various organization designs for commerce, leadership is the key differentiator in results and in the journeys for success, or yes, failures. In the recent growth economy when we were complimented with an abundance of talented resources and financial contingency cushions, even weak or average leadership enjoyed degrees of accomplishments. Now, as favourable conditions crumble and historical performances are eroded quickly, people search for truly outstanding leadership to help them where they work, live and play. More specifically, the financial industry has attracted a wave of distrust and lack of confidence due to negative actions emanating out from the largest Wall Street firms to local agents of financial products. In other words, financial institutions demand stronger leadership individuals, teams and organizations to survive, to rebuild and to make community contributions today and in the future.

Where Eagles Soar Inc. (WESI) is an international team of proven leadership builders, who utilize a totally new partnership perspective to help CEO's and their organizations to transform themselves to deal with the new dynamics for positive performances by individuals and the organization as a whole. WESI challenges leaders to reach new horizon levels by optimizing internal resources and external influences through an effective integration of performance catalysts. This is not a mechanical exercise but an inspirational journey focusing on people-centric variables to be the best they can be individually and as a dynamic team.

WESI's Strategic Leadership Transformation Web® (**see model under separate JPEG file attached**) depicts all dynamics 4 (for) leadership transformation which need to be energized and synchronized by those who want and can be CEO catalysts of positive performance change.

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Performance, or as we call them, horizon levels can be (1) erosion, (2) status quo, (3) progress, (4) breakthrough and (5) inspirational. Those who want to drive towards the inspirational level are candidates for WESI's Dynamics 4 Leadership Transformation. It is a continuous journey towards leadership excellence combining knowledge, skills and spiritual drive, which is corporately contagious. Obviously, there are key differences between leaders and managers amongst the CEO roles, and perhaps it is even more pronounced at other aspiring levels in an organization. We know that true leaders do not want to see erosion taking place in their organization's responses to internal and external performance dynamics. Whereas, the management mind maybe satisfied with the status quo, leaders want to reach the highest performance level possible given their capabilities, resources and execution effectiveness. In today's economic, social and political climate, a large percentage of corporations will find themselves in levels (1) and (2) and dealing with a "bailout" mentality. A few others, the real leadership candidates, are re-thinking the dynamic impacts and rallying their people, and yes their customers, to new levels of engagement. This leadership drive will bring them past normal progress to breakthrough performances and hopefully, with professional guidance, to a truly inspirational level which is reserved for a select few whose charisma, directional drive, people motivation and team transformation creates an emotional energy and hence extraordinary results.

Internally, the CEO from a nucleus position focuses on the synchronization of the stakeholder team consisting of the Directors, senior leadership team, managers and coaches, as well as the regular and part-time staff who generally experience the majority of external environmental influences and feedback daily. Concurrently, the organization must capture the intelligence coming from these external dynamics i.e. customers, competitors, economy, regulators, shareholders, business conditions and communities.

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The push and pull of environmental impacts requires a balanced perspective focused on neutralizing the dangers and capitalizing on the hidden opportunities.

WESI's Dynamics 4 Leadership Transformation focuses the CEO on synchronizing seven strengths as well as nurturing the growth of each individual element.

The Seven Leadership Elements

1. ***Innovation:*** insight, creativity, paradigm shifts, "thinking outside the box".
2. ***Vision:*** direction, challenges, excitement, future reality
3. ***Values:*** emotions, devotions, spiritual drivers, professional principles
4. ***Communications:*** verbal and non-verbal messages, presence, knowledge transfer, awareness
5. ***Expectations:*** plans, journey, role clarity, competencies, performance goals
6. ***Engagement:*** loyalty, commitments, energy, discretionary effort, teamwork
7. ***Execution:*** synchronization, momentum, success, performance effectiveness

To begin the leadership transformation journey, everyone has to learn one important fact as Jack Weber always told executives, "you don't know what you don't know, if you don't know what you don't know". Progress can only start when one's mind is open to listening, learning and living new knowledge. Complacency is not a leadership characteristic although it is sometimes difficult to take that first step in self-improvement by admitting there are always improvements one can make. Also every leader starts from a different position with her or his own unique set of strengths, weaknesses, perceptions and problems. That's why WESI's Dynamics 4 Leadership Transformation is a customized journey for each leader and their organization within a specific set of influences and resource capabilities. WESI's goal is to partner with leaders in their personal and business growth to reach breakthrough or inspirational horizons through a tailored plan and set of actions, learning and team building.

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The journey begins with the CEO recognizing the need for a professional partner or facilitator. WESI has three development phases in its transformations model. Readiness, Resolve and Reach! It is a flexible template of people centric assessments, remedial adjustments and stretch performance horizons, which continuously improve with leadership energy, group excitement and organizational excellence. Leadership transformation is the corporate catalyst to start, fuel and execute the performance journey to new heights of synchronized success. Every leader needs to find his or her path to spiritual enlightenment, which integrates the total team's drive for individuals' and corporations' outstanding successes. The economy, our industry and your organization deserves the best you can be as a leader in realizing increasing contributions to benefit all internal and external stakeholders. WESI wants you to get involved with a totally new perspective on leadership, which does make dreams come true.

A STRATEGIC PRIORITY: INNOVATION

WESI has always attempted to have its clients understand the strategic need for innovation and today it is an imperative. Current socio-economic conditions are making consumers more skeptical of financial institutions and they are looking for better quality or value in their retail relationships. In fact, ideas are as important as care or devotion in the current market place.

Every organization should assess its ability to generate customer centric innovations through spontaneity and specific creative sessions. The first step is to understand what your consumers are searching for in new experiences and what they intend to discard in the near term. Second your competitive intelligence should be capturing local and industry-wide innovations, which are attracting consumer adoption. Next, you want to assess the core competitive trends where you may be out of step e.g. a free chequing account or the daily netting account. These key gaps have to be closed prior to positioning the organization and its strategic focus around innovation.

The great opportunity is how do you unlock the ideas that are in employees' minds? Perhaps you have an incentive program, an idea panel, innovation retreats or innovation centres/skunk works.

The objectives should be to capture all employee ideas and provide quick feedback on the value and viability of suggestions. Some may be small, larger or a seed that leads to an important creation. Check your innovation readiness now!

THE NEXT MARKETING CHALLENGE: SELLING TO 'SIMPLIFIERS'

(Published October 29, 2008. Author: John A. Quelch, Senior Associate Dean and Lincoln Filene Professor of Business Administration at Harvard Business School. He writes a blog on marketing issues called Marketing Know: How for Harvard Business Online.)

"Executive Summary:

The mass consumption of the 1990s is fast fading in the rearview mirror. Now a growing number of people want to declutter their lives and invest in experiences rather than things. What's a marketer to do, asks professor **John Quelch**. Key concepts include:

- As the world economy slumps, one consumer segment will grow faster than ever: The Simplifiers.
- Simplifiers present a challenge to marketers. These are well-off people who value quality over quantity and who do not buy proportionately more goods as their net worth increases.
- Dining out, foreign travel, and learning a new sport will all prove more resilient than expected in the face of recession.

Watch out for a new brand of consumer in 2008: the middle-aged Simplifier.

She finds herself surrounded by too much stuff acquired. She is increasingly sceptical in the face of a financial meltdown that it was all worth the effort. Out will go luxury purchases, conspicuous consumption, and a trophy culture.

Tomorrow's consumer will buy more ephemeral, less cluttering stuff: fleeting, but expensive, experiences, not heavy goods for the home.

The economic boom of the 1990s fuelled consumption and democratized access to a wider than ever spectrum of goods transforming former luxuries into "must-have" necessities. Millions played the lotteries or aspired to what they viewed on "Lifestyles of the Rich and Famous."

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As they grew richer, pressure increased on those below to trade up. And, as they traded up, pressure increased in turn on the well-off to buy even more—the second home, the big screen TV, and the latest sport-utility vehicle. Enter the big houses that measured success in thousands of square feet of floor space, topped by the 40,000-square-foot, \$50 million palace that Bill Gates has built outside Seattle. In 2006, 35 percent of new homes exceeded 2,400 square feet in floor space compared with 18 percent in 1986. Ironically, these mansions, many owned by businesspeople on the road half the time, grew in number as the size of the average American household declined.

The new economy has made it even easier for consumers to get rid of their stuff.

These huge houses had to be filled with more stuff, good news for the home-appliance and home-furnishing industries. Even grocery manufacturers benefited. Larger homes with bigger refrigerators can absorb more inventory. Flat birth rates in developed economies have put pressure on durable consumer-goods companies desperate for top-line growth. Product quality improvements mean these goods break down less often. So durable-goods sales depend on two things: the launch of new, higher-priced, higher-featured, often customized products that persuade consumers to trade in their existing appliances before they break down (think cellphones), as well as household penetration of products such as fax machines and printers previously used only by businesses.

As the world economy slumps, one consumer segment will grow faster than ever.

The Simplifiers have four characteristics:

- **First**, they perceive that they have more stuff than they need. Sure, they may collect something specific like porcelain figurines as a hobby, but they are the opposite of the pack rats who fill their attics and basements with "you-never-know-when-you-might-need-it" stuff.

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- **Second**, they want to collect experiences, not possessions. And they give experiences rather than goods as gifts to friends and relatives. Experiences may seem ephemeral. They cannot be inventoried except in the form of "Kodak" moments; but they do not tie you down, require no maintenance, and permit variety-seeking instincts to be quickly satisfied. Dining out, foreign travel, and learning a new sport will prove more resilient than expected in the face of recession.
- **Third**, their stuff embarrasses them. Their Range Rovers no longer tell the world that they are sophisticated town and country socialites. There are simply too many of them on the road to offer much social status. Worse, they now signal the irresponsible selection of a gas-guzzler.
- **Fourth**, they have wealth that is so assured that it no longer requires conspicuous display. They lease their cars, rent other people's holiday homes, and would happily outsource other aspects of their lifestyles. They reject the marketer's continual pressure to spend more money on possessions rather than on education, health care, and other social goods.

These are the consumers who are now trading in their sport-utility vehicles. They include the empty-nester baby-boomers, less confident than before, who are tired of heating unused spaces in cavernous mansions, now preferring smaller houses with architectural character and intimate spaces, more charm, and less maintenance. Their families are scattered, unable to share conveniently the family holiday home and often unwilling to inherit the burden of something they will never use. The new economy has made it even easier for consumers to get rid of their stuff. The high-tech equivalents of the yard sale - electronic auction sites*- bring Simplifiers together with those who are yet to catch the habit.

This growing segment of Simplifiers presents a challenge to marketers. These are well-off people who value quality over quantity and who do not buy proportionately more goods as their net worth increases. Their increasing reluctance to consume will dampen expected demand growth in developed economies further and therefore slow economic recovery, requiring consumer-goods multinationals to further focus their efforts on emerging markets where stuff will still be king.

This post is based in part on Professor Quelch's Economist article "Too Much Stuff."

*(www.kijiji.ca and craigslist.com are popular here in Canada)

CANADA

Most Powerful Women in Banking

The U.S. Banker magazine announced in October that two Canadian banking executives are in the top 25 ranking as the most powerful women in the North American industry:

#17 – Barbara Stymiest, COO – Royal Bank of Canada

#23 – Alberta Cefis, EVP & Group Head of Global Transaction Banking –
Scotiabank

Congratulations to both individuals.

CPA Scraps Image Based Cheque Clearing

The Canadian Payments Association has terminated its 10 year old Truncation and Electronic Cheque Presentment project due to delays and sub-optimum results.

Mobile Phone Pilot – Payment “Waves”

RBC Royal Bank of Canada, Visa and Rogers Wireless have formed a pilot group to test payments by mobile phones through a wave at a reader (Visa pay Wave).

Note: Watch where you wave the phone!

The Canadian Options Grow

ING and President’s Choice Financial have been successful alternatives in the Canadian financial services field over the past decade. Other retailers are also extending their reach into customers’ wallets with financial products. The most noteworthy, as we reported in the past, is Canadian Tire which has 5 million MasterCard customers (\$4 billion in receivables) and has introduced its “netting account” – “One-and-Only” similar to the Manulife One account where customers outstanding debts are automatically netted against deposit credit balances. This saves major amounts over the life of a mortgage.

Note: All Canadian and international financial institutions must clearly add a netting feature to their product line. Virgin One has been in place for years in the U.K.

Interac Association Rolls Out Chip and Pin Cards

New cards are being distributed to Canadians and ATMs and retail terminals are being replaced with chip-enable devices. The majority of the conversion and behaviour change will be completed by 2010. Global market share is slightly more than 30%.

U.S.A.

Experian Surveys Small Business

Small business owners behind in their mortgage payments are more likely to save their business rather than their homes according to a new Experian study. The study covered 2.7 million business owners between April 2007 and April 2008. The states most affected by the housing crises are Nevada, Florida, California and Arizona and the industries most impacted are transportation/utilities, construction, retail trade and financial/insurance/real estate.

Pay Cards Expanding

Currently, 70 million adults in the U.S.A. are unbanked or underbanked and therefore pay a significant amount of cheque cashing and money order fees. Now a Professional Employer Organization has signed with Paychecks Plus Inc. to cover over 10 states as the exclusive Pay Card provider.

Note: Pay cards and similar options such as gift cards are growing rapidly around the world and they are a strong option in financial institutions coverage of certain segments.

NCR Leads Global ATM Market

From Dayton, Ohio headquarters, NCR reports that independent studies by Retail Banking Research and ESP Payments Practices places them as the number 1 provider in self serve ATM's for the 22nd straight year.

Citizens Financial Launches Green \$ense

Customers will receive \$120 a year for cutting back on paper by making electronic payments.

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INTERNATIONAL

Banking – Not on Mobile Devices

IBM's commissioned study in the U.S., U.K. and China, through a poll with 600 people, found that over 50% would substitute their PC Internet use for a mobile device. At the same time they are less convinced about using their mobile phone for banking and trading stocks.

Login Credentials Stolen

Thousands of customers at banks in North America, the U.K., France, Spain, Germany, The Netherlands, Italy, Australia, China and Malaysia have had their login credentials stolen by the Sinowal Trojan. Sinowal (also called Torpig and Mebroot) infects victims' computers without a trace.

U.K. – Blackberry Business Banking

HSBC now offers an IBM enabled Blackberry business banking service for sterling and foreign currency accounts.

U.K. – Free Cash ... Glitch

In August an ATM at Alliance & Leicester (RBS) in Scotland incurred a technical glitch for 2 hours giving out double the amount of cash. Apparently once word got out scores of people flocked to the ATM. RBS had the same thing happen in Bristol back in 2006 when hundreds lined up for three hours.

Note: Obviously staff did not enquire as to why the ATM traffic rose substantially so they could shut it down.

U.K. - Mobile Transfers & Payments to Grow

Juniper Research's new mobile payments study found that mobile money transfers and contactless waves will account for 50% of the overall mobile payment market globally by 2013.

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Ireland – Mobile Banking Behaviours Study

Javelin Strategy and Research says interest is being fuelled in smart phones creating an enticing, youthful market segment.

France – M-Payments Group Expands

Seven banks and four mobile operators along with MasterCard and Visa plus various handset manufacturers and system providers formed a not-for-profit association one year ago to promote interoperable mobile payments. The project is now being extended and expanded.

QUOTE OF THE WEEK

"I believe that banking institutions are more dangerous to our liberties than standing armies. If the American people ever allow private banks to control the issue of their currency, first by inflation, then by deflation, the banks and corporations that will grow up around the banks will deprive the people of all property until their children wake-up homeless on the continent their fathers conquered." ... ***Thomas Jefferson 1802***

THE LAST WORD

'Tis the season to be jolly! 2008 has been a challenging time for our countries, communities and citizens and in particular, the industry in which I have spent almost a half a century. Financial services may have a black eye due to a few who manifested greed and proffered misleading mortgage packages. But, this is a great customer-centric business with a history of high professional principles and consumer confidence. We must nurture those intangible assets with more care than ever before. Plus, it is a time to be thankful in a world of turmoil to give thanks for our faith, families and friends.

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2009 is the year for true leaders to step forward and shine like never before. The spirits of our organizations need to be rejuvenated and our teams re-energized to resolve the current challenges and to reach for an improved future state. The financial fallout of the sub-prime era will carry over into next year but there is a renewed hope for all of us on the horizon. Personally, I am extremely pleased that President-Elect Obama has arrived at this time. The U.S.A. needs him; we need him; the world needs him. I trust that his task ahead will be blessed and his life protected at all times.

Although everyone will have next year's business plans well adjusted for 2009 challenges, make sure that you are investing in your own leadership and those around you. We all need to reach new levels of talent transformation to lead those around us towards the sunshine ahead.

On behalf of all of your friends at WESI, I wish you, your family and teammates at work, a holy and happy Christmas season.