

It is no secret that we are living in tentative and turbulent financial times. The current financial crisis is still the topic of the day, and it impacts each of us as individuals, and also our businesses, our employees, and our customers. As leaders in your organizations, you are probably wondering how to handle this crisis.

Tonée Picard is the Senior Vice President / Chief Marketing and Development Officer at Bay Federal Credit Union here in Santa Cruz County, and she is living in the eye of this financial storm. I interviewed Tonée to hear more about how she is approaching leadership during this turbulent time.

Read on to find out what Tonée would like to tell leaders in our community about staying positive, looking for opportunities, empowering your team and leading from your core values.

CL: Tonée, you are in the world of banking and finance, and clearly this crisis is swirling directly around you. How do you see this crisis affecting other businesses in our county?

TP: This crisis affects all of the businesses in our County...[And] even though this is a very tough time, this is also a time for opportunity. This tightening market will force businesses to evaluate business requirements, separate needs from wants, and make better business decisions that lead to greater sustainability.

This will create opportunities for businesses to look at their business models and calculate their ability to generate and fund growth in a more conservative and balanced way.

Fewer financial resources can also make businesses more thoughtful. Strategic planning and a real understanding of credit and financial management are essential for businesses to survive in turbulent times.

This crisis is forcing businesses to do things in a way that is much more sustainable over the long haul- for example, not relying so heavily on credit.

CL: How are you working with your customers while they are experiencing so much insecurity?

TP: We do our best to work with our customers on an individual basis. We educate them; we try to help them improve their credit; we try to keep them in their loans and we work with them to see what they can and cannot afford.

CL: You have had a rich career that includes high-tech, retail, and also working with venture capital organizations. There has been a lot of turbulence in those arenas as well. How should leaders prepare for situations that are really out of their control?

TP: First- this is unprecedented. This type of situation hasn't happened in our lifetime. This is a meltdown of our financial system, a global economic crisis and now government is involved to a degree that means that industry won't be the same going forward.

I'm not judging it. It probably needed to happen to some degree, but this has been much deeper and it has done more damage than anyone could predict. As Thomas Friedman said, this is not about one financial institution, one industry, one area or even one country. This is a world economic issue, and the repercussions are dramatic and fast moving and *leadership is essential*. We really have to work to develop solutions. And we are really all connected in this economic downturn. The solutions will affect our political, economic and social systems for a very long time to come.

I continue to believe that there is a lot of opportunity right now. This is an opportunity for businesses and consumers to focus on positive actions and to be part of the solution versus going down a path of negativity.

I see this as an opportunity for many industries: technology, biotech, energy and many others. We can be working to usher-in green technologies and as a country we need to invest in research and innovation. We need to look for alternative fuel resources and invest in new technologies to be more productive and to develop viable businesses that will be here well into the future.

As businesses we need to become more *efficient and effective* and we need to look at new systems and new processes. Leaders need to look at what they are currently doing and how they are doing it and look at what it will take to create new systems and processes to pull us out of this current economic shock. *We'll be stronger in the long run.*

There has never been a better time to learn. My advice for leaders is to...

- Stay positive
- Look for opportunities
- Get creative, and
- Be compassionate because this is very difficult time for everyone.

This is also about *telling people the truth* and not sugar coating it. *Communication is key*. Sit down and talk with your people. Ask them for their help, their support, and their ideas, and empower your employees to be part of the solutions. Invite them to make a difference. To do that, you have to be honest about the problems, and ask for solutions.

CL: How can leaders and emerging leaders do a better job of preparing for change?

TP:

- Keep your eyes wide open.

- Look around, read, learn, and ask questions,
- Stick to your values.
Your values are going to get you through this hard time. Remember values such as care, respect, integrity, professionalism, compassion, and gratitude. Know your values. Let your values serve as a guide.
- Lead by example.
Don't ask anyone to do anything that you wouldn't do. I don't ask anyone to follow me blindly. I encourage them to ask questions until they clearly understand, and only then do I encourage them to do what I ask.
- Tell the truth.
It takes real courage right now to tell the truth and not just say what people want to hear.
- Empower your team.
I empower my team. I provide them with direction and support and guidelines, and I provide feedback when needed, and I do not wait to give feedback. If there is an issue, I bring it up right away. There is not a lot of room for poor performance right now. If there are performance issues, they need to be resolved quickly in a market like this.
- Leadership is also about fairness and hard work.

CL: This goes back to what we talked about at the beginning when you said that this is an opportunity for businesses to do things in a more efficient, effective and sustainable way. Here you've described an environment in which trust and truth are clearly present, and in which people are being asked to perform at a high standard. They are supported, and they are given information and they are empowered, and then you get out of their way and let them perform.

TP: Yes. If you've done all of that, and you have led by example, and you've been clear and provided guidance, and it is still not working out with an individual employee, then you need to make the tough decisions. If you don't do this it will be detrimental to teamwork and the overall organization.

CL: I like what you said about leading by values. It seems like things are changing so fast that all you can depend on are your values.

TP: No kidding! Now is not a time for fads. I guarantee that there will be about a hundred new management books out in the next year, and this isn't the time for that. This is time to get back to the basics and lead by your values.

Another thing is that I never believe that I am done learning. I take a leadership role, but I always make room for learning.

CL: So you are creating a learning environment through the way you are engaging your employees? Creating an environment in which everyone can learn and continue to improve.

TP: Oh yes! There are no bad ideas. We may not implement an idea, but there are no bad ideas. My leadership style is participatory, but I am decisive. I always listen, and I love change. Things are always changing, and I am a change leadership person. If I had one specialty, it would be that I am a change artist.

CL: So people who work with you need to be fluid and agile and flexible.

TP: Yes. They really do. And there have been so few people who I cannot work with, but when I have, it has been because those people are usually not open to change and they like things to be the same.

In my career, I have a lot of entrepreneurial experience, and Bay Federal is very entrepreneurial. It's one of the most entrepreneurial financial institutions I've ever heard of. We have a very entrepreneurial senior management team.

CL: What does that afford you as a financial institution? I mean, so many other financial institutions would not be thought of as entrepreneurial.

TP: We are nimble. And we care about our members. You'll never find anyone who cares more. We work together to make improvements, we are a learning organization, and we are growing.

I have to admit that it is exhausting at times. We are never satisfied. But, mostly it is very rewarding.

CL: What other advice do you have for other leaders?

TP: Leaders need to be conscious. I don't expect my managers to work the hours I work. I have to reinforce that all the time. Lead by example, but communicate expectations clearly and do not overburden your team.

CL: So you're hoping that they have more balance in their lives than you do.

TP: Yes. I like to be exhilarated. I want *them* to have more balance. I watch my people. I watch their bodies and what they are doing. And if they are trying to run on the treadmill, I encourage them to get off

CL: To renew?

TP: Yes. To renew.

Also, I'd have to say, 'Get ready!' The time is now and there has never been a better time to embrace change. Imagine a world where we accept change and diversity! If anything drives me crazy, it is resistance to positive change. And don't be afraid to tell the truth- even when it hurts.

We have to work together as leaders in this community. We need to stay positive and create the workplaces we want to live in.

CL: Thank you, Tonée! This has been great!

TP: Thank you!!