

Leadership vs. Management

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I am chairing a committee for the Hennepin County Bar Association that is putting on a 21 hour program on Law Firm Leadership.

During our first session, one of the faculty (Dr. David Jamieson) talked about the distinction between Leadership and Management. He presented the following quotes from a recognized thought leader on the topic:

Warren Bennis says....

- “Leadership is the capacity to translate vision into reality.”
- “Leaders are people who do the right things; managers do things right”

Dr. Jamieson then offered his own view, describing leadership as a combination of the following:

- Facilitating a collective view of the desired future
- Inspiring, developing & rewarding people
- Empowering others to perform & reach their potential
- Coordinating & integrating talent for results

This raises an interesting issue for anyone in a Subrogation management position, whether it is at an Insurance Company, Law Firm, or other vendor organization. Are you a Leader or a Manager? I suppose the first question that needs

to be asked is: What does your employer want you to be? Do they want you to just carry out the mission that has been planned by someone else, or do they want you to take initiative and try to figure out better ways to fulfill your company's objectives?

One of our largest hometown employers, Target, just announced a massive restructuring of its labor force. Unfortunately, many people will lose their jobs. One of the announced reasons for the change was because of the difficulty of making rapid change in the company with its current structure. The new CEO is trying to make the company more nimble, so leaders within the organization can bring new ideas to market faster. They are trying to empower their team leaders to lead and innovate instead of just doing the same thing over and over again.

I think Subrogation Managers (should they be called Leaders?) should also be charged clearly with always looking for ways to do what they do better. Our world is changing so rapidly, especially with constant advancements in technology, that we have so many more opportunities to improve the results of our Subrogation entities. That is what leaders do. They either set new directions, or empower their staffs to assist in reengineering their departments.

You will note that Dr. Jamieson's definition of leadership has a heavy focus on motivating people to perform at the highest level. I think this is the other side of the leadership equation. One side relates to coming up with better ways to do things. The other is focused on getting the most out of your staff. We can do nothing without a motivated staff who seeks to perform at a high level.

In my view, subrogation is one those fields that can never be automated away. When you are working on resolving disputes about liability and damage issues, at the end of the day, PEOPLE will have to resolve those issues. Building a well-trained and motivated staff requires sound leadership. So are you a leader or just a manager?