



In the  
**HOT**  
SEAT

**Tough jobs** and the people who do them

## Over the last four years

we've seen many a 'world-class' leader buckle and fall, making decisions that destroyed billions in investor value and their own lives. Conversely, there are true leaders, people who thrive in troubled times, who seem to come into their own in the face of pressures that would have most of us crawling back under the covers and yelling for Prozac. What is it that sets them apart? Do they meditate? Drink high protein shakes? What is it that nurtures them?

Every day here in B.C., for example, there are leaders with intrinsically tough jobs, but jobs made tougher by intense public scrutiny and criticism. Fraser Health Authority's Bob Smith and BC Ferries' David Hahn work to create paradigm change in entrenched, excruciatingly public organizations, managing revolution within and without. Vancouver Chief Constable Jamie Graham is reminded of the literal life-and-death responsibility he bears for the men and women who protect our city. Surrey Mayor Doug McCallum oversees, cajoles, controls and does whatever it takes to keep all the contending elements of a feisty new city moving in the same direction. Extraordinarily tough work. Yet they do it – and they mostly do it with grace as far as we can tell.

»» By Lori Bamber

## [leadership]

One of the most ubiquitous challenges of the 21st century is the light-speed pace of change. As the CEO of Canadian Business for Social Responsibility (CBSR), a non-political Vancouver-based organization that helps corporations meet the challenges of sustainability, Adine Mees is an unrelenting change agent. She challenges corporate leaders to think in new ways, embrace new practices and look far into the future as shareholders clamor for this-quarter results. ¶ In her opinion, what separates those who can and do, from those who falter and fall?

She points to Bob Elton, CEO of BC Hydro, as one example of the kind of principle-centred leader you want running an organization in tough times: “It’s about fostering a culture of responsibility, having conversations [about difficult issues] every day.” Quoting Elton, she says, “The harder it is to have the conversation – the more important it is that you do it.”

Mees believes that tough, effective leaders – the kind that also create resilient organizations – have a balanced approach to success.

“If the only value you use to measure your company is share price, and the share price is falling, you’re in trouble,” explains Mees. “Great leaders see success in a broader context. They build solutions; they’re open to looking in new directions, and they understand that the solution may not be found where they expect it. They balance

optimism with patience and have the ability, always, to connect people with ideas, to inspire them. They’re humble and open – they surround themselves with bright people and give credit freely. There’s not a lot of positioning or power plays – little ego, big curiosity.”

That humility – and the ability to surround themselves with good people and then rely on them – is certainly a common denominator among the four leaders *BCBusiness* chose to profile for this article. For example, BC Ferries’ David Hahn refers to his employees and customers this way: “I get really good advice. I have 4,000 advisors.” (‘Advisors’ who were after his head in recent union-management battles.) All those interviewed cited their wives and families as their greatest emotional support system. Health CEO Bob Smith says, “[I] sometimes felt I was working just to enjoy them.” (He’d need that support with

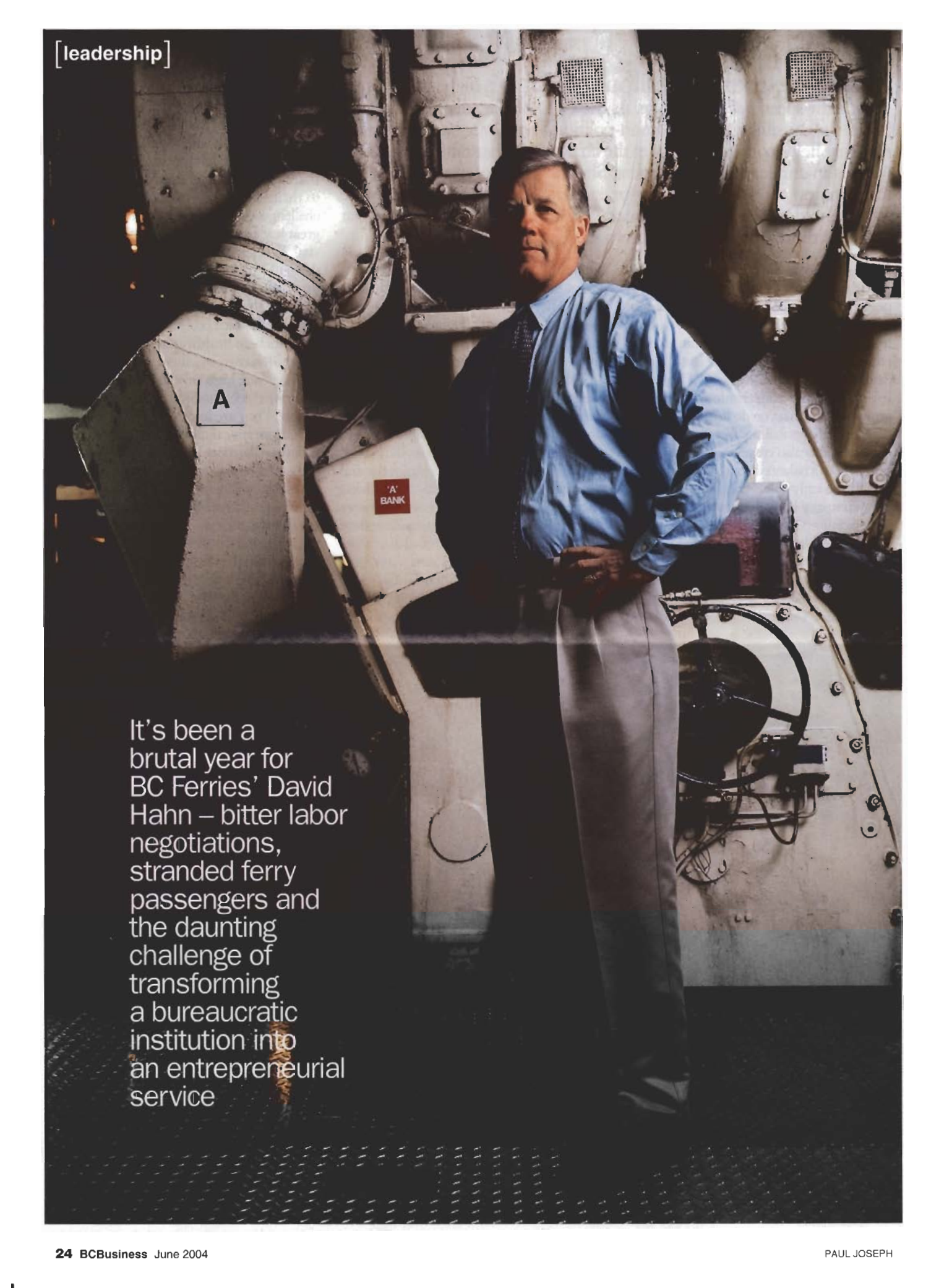
disgruntled public sector unions and cheesed off patients gunning for him daily.)

Barbara Richards is a Vancouver-based coach who works with top executives at one of the most difficult junctures of all, career transition. She says the attributes necessary to thrive in the face of profound personal challenges are the same as those required for great leadership. An attitude of optimism is vital. Perhaps most important, tough times demand a kind of internal reorientation. The most effective leaders are principle-driven and it is these principles that provide the structure in which problems are solved. Their behaviors are healthy and self-aware: they know what energizes them.

The four high profile leaders profiled illustrate those principles and behaviours in action. They are known not only for their effectiveness at the helm but also for their ability to take more heat on a daily basis than many of us will face in a lifetime.

Not surprisingly, few top executives seem to have much time for hobbies or activities unrelated to their work. More surprising was the revelation that they seem to source their energy from the work itself: in integrity, the successes achieved by their organizations, the people around them, and in their vision for their organization. □ ►

[leadership]

A man in a light blue button-down shirt and tie stands in a dark, industrial setting, possibly a ship's engine room. He is looking towards the camera with a serious expression. To his left is a large, white, cylindrical piece of machinery with a white helmet-like top. A small white label with the letter 'A' is on the machinery. Below it, a red label with the text 'A BANK' is visible. The background is filled with various mechanical components, pipes, and electrical panels, all in a dimly lit environment.

It's been a brutal year for BC Ferries' David Hahn – bitter labor negotiations, stranded ferry passengers and the daunting challenge of transforming a bureaucratic institution into an entrepreneurial service

# The Power in Clarity

**David Hahn, CEO**  
**BC Ferries Corporation**

**D**avid Hahn, president and CEO of the 'new' BC Ferries Corporation, is having a week most of us would call brutal. ¶ It's Wednesday, just before one of the busiest holiday travel weeks of the year, and the fleet's safety – or supposed lack thereof – was the lead item in last weekend's news. ¶ In a report issued by two engineers from the Ferry and Marine Workers' Union, 22 of the fleet's 35 ferries are unsafe because of "corroded firefighting systems." Prefacing their statement with a tart reminder that the "B.C. ferry fleet was privatized last year by the Liberal government of Premier Gordon Campbell and is now run by a private company called BC Ferries," the National Union of Public and General Employees (NUPGE) said the equipment in question was "so badly rusted, or poorly installed and maintained, that it could fail to work or even explode in case of a fire."

The privatization comment didn't make the news but video clips of badly rusted and broken pipes certainly did. The public outcry could have been grim . . . but David Hahn's response was immediate, pointed and proactive. In the succinct news release "Ferry Workers Union Continues Campaign of Misinformation" he reminded all and sundry that Transport Canada inspects all ferries to ensure unsafe ships don't sail.

The non-story fell off the television screen and vanished.

I'm considering all of this as I head across the Georgia Strait, via ferry, to meet with David Hahn in his Victoria office. Although the ship's crew seem remarkably calm and relaxed considering the danger we are apparently in, I'm expecting a tense and obviously embattled man. It's been a brutal year for Hahn – bitter labor negotiations, stranded ferry passengers and the ongoing, daunting challenge of transforming a bureaucratic government institution into an entrepreneurial service culture.

What I expect is not what I get.

Married for 30 years to wife Karen, with a 20-year-old son at Cornell University and a teenage daughter at home, David Hahn is an oddly youthful 52. He also seems to be completely relaxed. When I stop to think before asking a question, he's encouraging, open: "Ask anything. Really."

Prior to being hired to revolutionize an organization that is an integral part of the lives of coastal residents and on which almost everyone has an opinion, Hahn lived in New York, working as an executive with Hertz and then Ogden Aviation. "I traded concrete and steel for mountains and water," he says of the move. It sounds like a great swap – until you consider the feat he's been asked to perform.

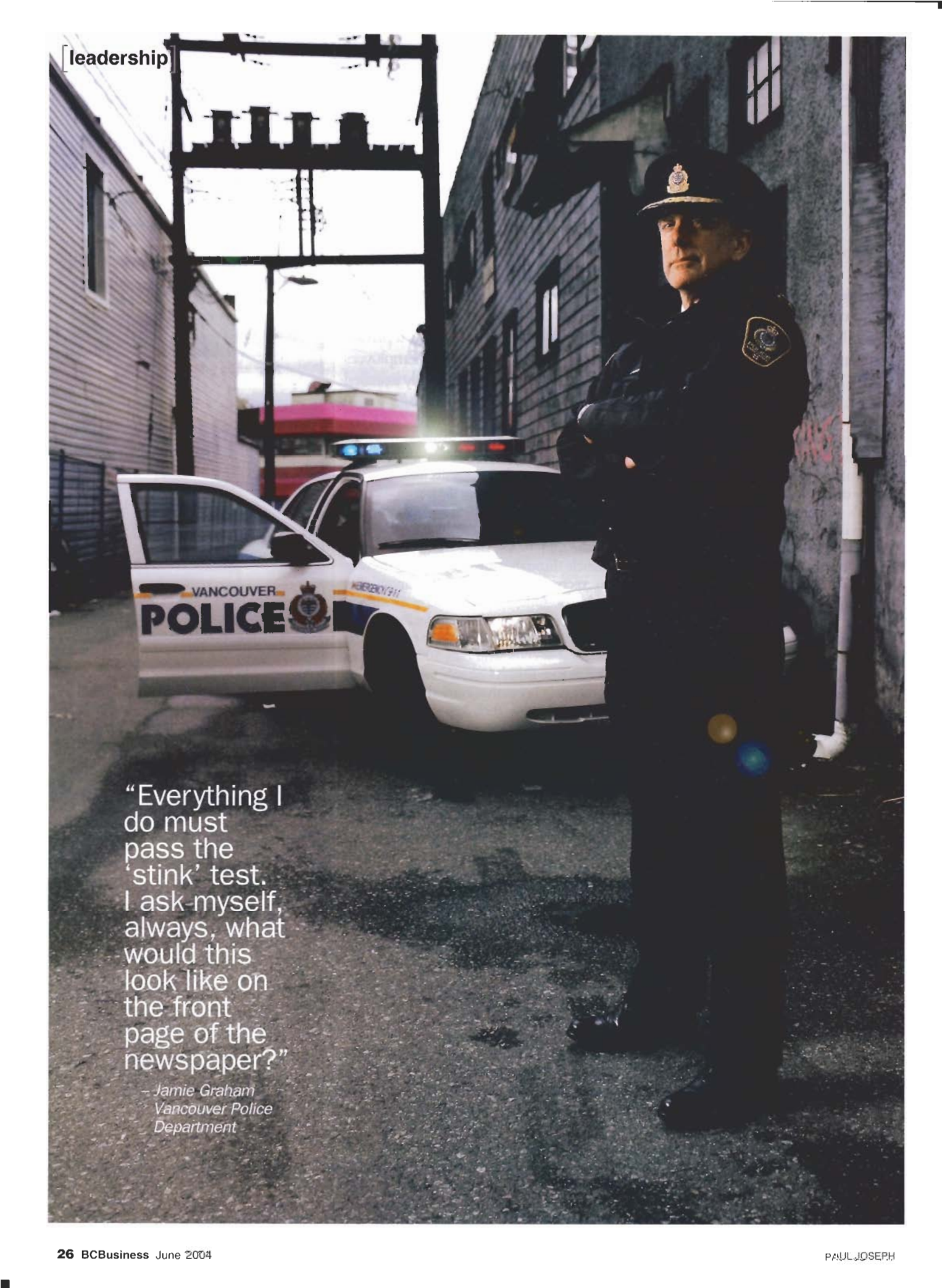
Under previous legislators of all political persuasions, the BC Ferries development and infrastructure replacement plan always

seemed to take a back seat to more immediate and politically turbulent issues – health care, education, the advertisements we apparently need to convince us that the government in office is doing better than we believe.

Neglect is one thing, meddling is another. In the mid-1990s, BC Ferries became the vehicle through which Glen Clark decided to recreate the province's shipbuilding industry. Although senior ferry executives urged the politicians to consider leasing one fast ferry before building three of them, the political agenda won out; 500 million tax dollars later British Columbians owned three lumbering boats that carried too few cars, used too much fuel, kept sucking wood debris from the Fraser into their engines and were anything but fast.

The trio of aquatic white elephants were mothballed and have now been sold for a pittance. Meanwhile, the aging ferry fleet is years behind schedule in terms of refurbishment; 18 ships need to be replaced over the next 15 years. Lineups and a growing number of travel options have stalled ferry traffic growth – there hasn't been an increase in the last 13 years. Factor in the uncomfortable demands of a newly entrepreneurial environment on an entrenched bureaucratic culture, union leaders whose job it is to fight – cutlasses drawn, backs to the mast – for the old ways, and a travelling public that wants great service and low prices . . . and you've got a tough, tough job.

I'm here to find out what sustains David Hahn through all this, and I'm not getting much. He takes long walks with his wife, but he doesn't run, do power yoga or practice Zen meditation. When asked what gets him through the bad days, he replies matter-of-factly: "I believe that every bad day is followed by a good day. You have to be optimistic. I'm a glass half full – or three-quarters full – kind of guy. I love this job, and these people, and

A photograph of a Vancouver Police Officer in uniform standing in an alleyway. The officer is wearing a dark uniform with a cap and a patch on the shoulder. He is standing with his arms crossed, looking towards the camera. In the background, a white Vancouver Police car is parked with its driver-side door open. The car has "VANCOUVER POLICE" and "EMERGENCY 911" written on it. The alleyway is narrow, with buildings on either side and utility poles overhead. The lighting is dramatic, with strong shadows and highlights.

“Everything I do must pass the ‘stink’ test. I ask myself, always, what would this look like on the front page of the newspaper?”

— Jamie Graham  
Vancouver Police  
Department

I believe in what we are doing here.”

Of the union unrest, Hahn seems genuinely pained and even a bit puzzled. “I’m not anti-union. I just think we need to have a partnership.” When it comes to the most controversial issues, outsourcing, for example, he believes he and the union could be on the same side. “They think I’m here to gut their good jobs, but I have a different approach to contracting out.

“Safety is our primary issue . . . and who could possibly do a better job on safety than the experienced ferry employees we’ve got now? After safety, it’s the look of our facilities, cleanliness and maintenance. We do a good job, but we need to give employees more tools, more flexibility. I’d really like to do more work in-house. Why aren’t we doing

our own window-washing and landscaping?”

“As for service,” he continues, “I think that’s something that our people can police themselves. And if those issues were all taken care of by our union people, and it was just about a minor difference in price, why would we even consider contracting out?”

For Hahn, the power is in the clarity of the mission: he believes wholeheartedly and passionately in the rightness of his objectives. “This is among the greatest ferry systems in the world, certainly the greatest in terms of value. We have great people and we do a great job. But we could do better. That’s where we’re headed. We have the freedom to do the right things now, and people will begin to see the improvements.” □

## The Nobility of Service

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**Chief Constable Jamie Graham**  
**Vancouver Police Department**

**A**bove the elevator bank at the Vancouver Police Department headquarters are the photographs of 16 men – police officers killed in the line of duty. The first to die was also the youngest: Constable Lewis Byers was only 21 when he fell on March 25, 1912. Like most of these men, he died of a gunshot wound. Like all of them, he died working to keep the people of Vancouver safe. ¶ In the middle of this row of portraits is a plaque that says, simply, Vancouver Police Department and underneath, Chief Constable Jamie H. Graham In Charge. As I wait for the elevator to take me to Chief Graham’s office, I wonder what it must be like for him to look up into the faces of these men every morning, to be reminded of what is at stake. What sustains a man such as Jamie Graham under the weight of this responsibility? ¶ It wasn’t easy to find out.

Chief Jamie Graham is surrounded by some of the most inundated and protective communications specialists in the country. After a number of polite, unproductive conversations that ultimately must have convinced his staff that I wasn’t going to give up, I received a “sorry, but no” call from Constable Anne Drennan, the legendary and long-time former spokesperson for the VPD.

It was Chief Graham’s leadership following the Stanley Park incident, in which six police officers were involved in the beating of three men, that made me soldier on. Under fire from a variety of special interest groups, in what was probably the darkest chapter in the department’s history, Graham’s response was dignified, balanced and disarmingly forthright. From the outside, anyway, he seemed somehow impervious to the controversy and yet sensitive to the turbulent emotion evoked by the case; his decisions informed only by the facts, the law and justice.

After I was able to convince Drennan of my objective, the tone of our conversation changed, and I got my interview. In a later email, she wrote: “He is a very fine man, an excellent Chief and proving to be an exemplary leader.”

My mission was to find out how. The VPD can’t be an easy organization to run. Not only must he manage a force of talented, hard-working and probably underpaid officers, he’s also responsible to the public, that large, varied constituency with a dismaying lack of agreement about how public safety should be ensured. The media circles like vultures, waiting to feed. If bad decisions are made, lives can be lost.

And yet Graham describes his position as “the best job in the world.”

His toughness and resilience may be genetic. Jamie Graham is the second son of a military family, his father a much-decorated Second World War veteran who instilled the

## [ leadership ]

value and nobility of service in his children. His older brother is one of the most highly decorated Canadians to come out of the Vietnam conflict.

Although he too considered signing up to fight in Vietnam, Graham decided to serve at home. Joining the RCMP in 1968, he was ordered to report to boot camp in Regina; he drove across the Prairies in a Volkswagen Beetle. Training complete, he was posted to rural Alberta, the first of many assignments that would see him rise through the ranks to become a senior plain-clothes homicide investigator.

"Those were heady times," he says now. "We had a lot of successes."

He wasn't happy when he was promoted out of homicide, "kicking and screaming," and placed in charge of a detachment outside Edmonton. But something about leadership must have appealed to him, as it would be the first of many RCMP detachments he would lead, including those in North Vancouver and Surrey. In 2002, at age 53, he left the RCMP after 34 years to lead the VPD.

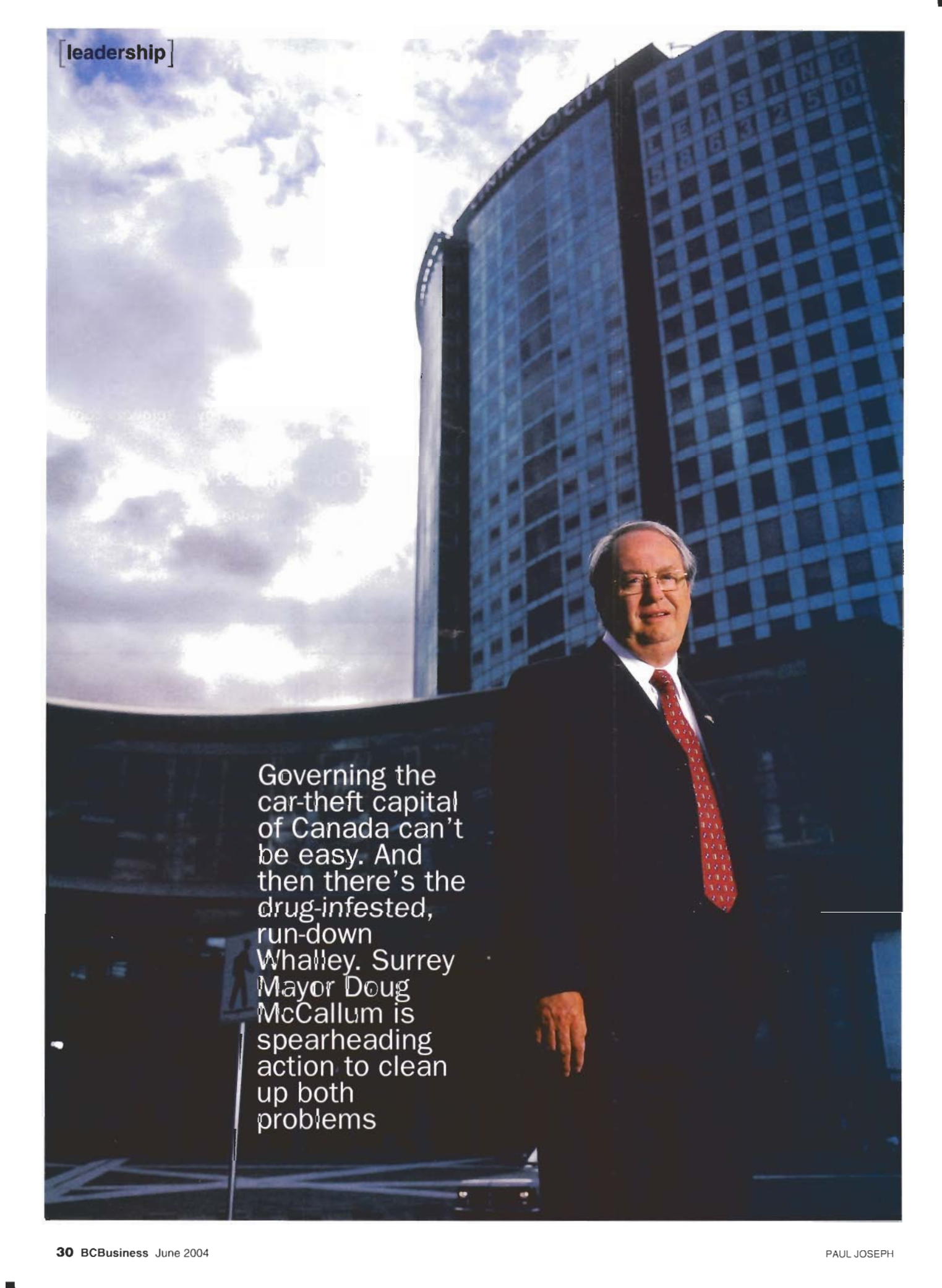
Asked about his mentors, Graham cites his father, quiet, competent, professional, with "a chest full of medals," and his boarding school rugby coach, John Derrick, "a mountain of a man," who, although disabled with a severe foot injury, stood on the sidelines in the worst weather, cheering on his team. "He'd have a small snow bank on his shoulder, but he was always there."

That model of tenacity stayed with him. "I will not be defeated. I will never ever give up. I'll ruin myself rather than quit." Integrity is a guiding force here, but so is the perception of integrity. "Everything I do must pass the 'stink' test. I ask myself, always, what would this look like on the front page of the newspaper?"

To relax and recharge, Chief Graham reads at home or plays with his behaviorally-challenged golden retriever, Solo. Reading is more than an escape. It's also a source of optimism. He is a very active advocate for Literacy BC and believes that literacy may be "the magic bullet we're always looking for. When literacy goes up, crime goes down."

His greatest passion seems to be reserved for the subject of leadership itself. He gives me a favorite quote: "If you want a ship built, don't drum up the people to gather wood, divide the work and give orders. Instead, teach your people to yearn for the vast and endless sea."

"You must be optimistic," he continues. "No one wants to work for a pessimist. You have to rule by encouragement. It is the subtle, small words of encouragement that motivate. When I think about those times I worked day and night on a case, it was always for someone or something that inspired me." □



Governing the car-theft capital of Canada can't be easy. And then there's the drug-infested, run-down Whalley. Surrey Mayor Doug McCallum is spearheading action to clean up both problems

# Oriented to Action

**Mayor Doug McCallum**  
City of Surrey

**M**ayor Doug McCallum, 59, has been described as enthusiastic to the point of tenaciousness. When it comes to leading and cheer-leading the City of Surrey, McCallum is relentless. ¶ It can't always be easy. For the last three decades 'Surrey' has been synonymous with 'undesirable', despite its great diversity, some beautiful neighborhoods and the fact that South Surrey contains some of Canada's most luxurious and spectacular properties. Of the 370 square kilometres (the size of Vancouver, Burnaby and Richmond combined), more than one-third is parkland. The area's diversity is revealed in its six townships: urban Guildford, upscale Fleetwood, Whalley, Newton, resort-like Crescent Beach/South Surrey and bucolic Cloverdale.

Unfortunately, there is some substance to the city's unfortunate reputation. Some of its neighborhoods, particularly in the Whalley/City Centre area, are less central, less intense and more sprawling versions of Vancouver's Hastings/Main area, and Surrey is well known as the car-theft capital of Canada. More than 8,000 vehicles were stolen last year, costing ICBC about \$4,000 per incident.

You won't find Mayor McCallum apologizing for Surrey's embarrassments, however. Instead, he's determined to overcome them. This year, for example, in the early morning of February 16 you would have found him standing out in rush hour traffic, handing out free steering-wheel lock devices to drivers who agreed to support him in his campaign for tougher sentences for car thieves. (He wants repeat offenders sent to forestry work camps for two years.) The Whalley area is being cleaned up faster than anyone imagined through programs ranging from extra policing to \$5 million in capital projects to subsidized second mortgages of up to \$20,000 for first-time homebuyers in the area.

McCallum has been elected mayor in three successive elections, with a higher majority each time, but that doesn't mean he has unconditional or universal support for all his initiatives. Describing himself as "a businessman, not a politician," he occasionally draws the wrath of some of his constituents. He's philosophical about the heat he takes. "If you spend enough time out in the public like I do, you begin to understand what people want and need, and then you have to make decisions. I had one fellow come up to me to say that he doesn't agree with what I'm doing, but he appreciates that I'm doing it."

Take for example the homeless shelter recently built in Newton. McCallum says there were people in the area who opposed

it, "but it had to be done" . . . so he did it.

"You have to be honest, completely accountable and say it the way it is," says the mayor. "I can be blunt. But I think people appreciate it."

McCallum's greatest frustration is not people who disagree with him, but with bureaucracy itself. He is an advocate of the 'city-state' model of governance practised in many countries around the world, including that hotbed of hyper-economic development, China, where he just completed a six-city tour. He becomes animated talking about the length of time it takes to get things done through the layers of the GVRD, the provincial government and Ottawa.

So how does he deal with the frustration of inaction? By taking action. Every day begins early, at 5:30 or 6 a.m., with McCallum and his wife walking or jogging along Crescent Beach. He insists he doesn't get stressed but after a 'long' day – one full of meetings and devoid of the public out-and-about he loves – he goes windsurfing.

He is a fervent advocate of active living: he proudly displays a photo of himself and a classroom of children who are receiving a trophy made from his old running shoe. (The old running shoe was their idea.) When he became aware of the health problems plaguing sedentary school-age children, he made it his business to become involved, encouraging children to walk to school by walking with them. The idea caught on and even became a competition. Judging from the delight with which he tells the story, McCallum enjoyed the experience every bit as much as the excited school children in the photo.

"It's the feedback," he says, when I ask what else it is that sustains his energy and inspires him. "People stop and tell me I'm doing a great job. If I didn't get that, I'd start to question myself." □

# EMERGENCY



“You work toward consensus, but I’ve learned that when there isn’t consensus, you sometimes have to make aggressive, risk-oriented decisions”

— Bob Smith  
Fraser Health Authority

# Feeding on Accomplishment

**Bob Smith, CEO**  
**Fraser Health Authority**

Imagine having a staff of 20,000 plus 10,000 contract employees, a client base (1.4 million) larger than the population of some provinces, and a budget of \$1.6 billion . . . and you're the man in charge. Oh, yeah. It's in health care. In Canada . . . and 2,000 of the people on your payroll are doctors. ¶ Welcome to the life of Bob Smith, CEO of the Fraser Health Authority, one of B.C.'s six health authorities, this one covering an area from Burnaby to Boston Bar. ¶ "We've taken a lot of heat. This is the country's largest integrated health system, and there is a conflict between our fiscal reality and the challenges of reform," he says. "But I'm positively optimistic."

Ask Smith, 59, what sustains him, and he'll talk about the milestones. ¶ "I've asked the leaders throughout this organization to work with me, and we've created a shared vision. Whenever we're criticized in health care, it's about access. We're working together to create seamless points of entry, toward a comprehensive, integrated process. We've made dramatically good progress."

Smith gets particularly excited when we talk about the organization's handling of the SARS crisis, describing it as an "extraordinary success that rarely gets talked about."

"We had SARS cases here, too, of course, but we managed to slam the lid on it. Through excellent health care people, good organization, management and communication, we were able to stop something that could have done serious injury to our population."

I ask him what he does to relax.

"I have a sedentary job," he says, "so I relax by doing physical things. I try to go skiing or hiking every weekend I can." And he's taken up golf.

As a leader, Smith says he hopes people will view him as "fair but firm."

"When I took over the QE II Health Sciences Centre in Halifax, one of the staff there, an older man who'd been there for a long time, took me aside. 'I don't care where you lead,' he said. 'Just lead.' . . . If people know that you will be consistent and hold steady once the vision is developed, it allows them to engage."

Raised in Trail, B.C., Smith received a business degree from UBC before going on to an MBA in marketing and finance. Back then, his wife Pat was a registered nurse and he found himself drawn toward her field. "It's a caring field," he says, "and that resonates with me." After stints at the Arthritis Society and the Cancer Agency, he landed at Lion's Gate Hospital, where he worked with "some legendary hospital CEOs." They included John Borthwick, who Smith describes as "an outstanding man" and one of his role models.

"I learned from him that if you have bad news to deliver, you do it honestly and directly. Everything was about integrity with him, but it was also his humility and constant, frank honesty. He created such a wonderful harmony of organization there. I remember thinking, 'Bob Smith, don't screw this up.'"

Smith also credits renowned medical scientist and physician Dr. David Boyes with providing a model for decision-making in difficult circumstances. "You work toward consensus," Smith says, "but he taught me that when there isn't consensus, you sometimes have to make aggressive, risk-oriented decisions."

A painful period in his own career convinced him of the importance of compassion during periods of transition. A victim of the first round of health care reform himself, Smith says of the period following his time at Lions Gate, that "I felt lost, unsure of my direction. I happened to pick up a pamphlet published by the American Hospital Association on leading through transition. It said you can't lead through times of profound change unless you've experienced personal, transformational change yourself. I know that – and have experienced that – and as a result I have tremendous personal sensitivity as we try to balance the success of the organization against changes we have to make. I work hard to be respectful. If I've met you, I try to remember that I've met you. It's about valuing people."

Final word goes to Daniel Goleman, co-author of *Primal Leadership: Realizing the Power of Emotional Intelligence*. As Goleman notes, it's the drivers of self-awareness, self-regulation, motivation, empathy, and social skill that define emotional intelligence and great leadership.

A closer look at these four B.C. leaders makes it clear that it is these same essential attributes that sustain leadership – under even the most trying conditions. ■