

THE CEO ADVANTAGE JOURNAL

2012



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Creating a Culture of Strategy Execution by Troy Schrock
How to achieve a shared set of goals throughout your organization.

Straight Talk with Jeffrey Pfeffer
A conversation with the author, speaker, and Stanford professor.

The Role of the CEO's Spouse by David Dudon
Why a CEO and his/her spouse must function as a team.

Why Retire? by Troy Schrock
A conversation with four professionals who choose to work beyond 80.

Succeeding the Founder by Ben Anderson-Ray and John Kobasic
A successor's guide to leading a successful transition.

Should Financial Performance Drive Your Culture?
by Ellen Bryson
The importance of aligning employees around a clearly articulated purpose.

SAMUEL JOHNSON ONCE OBSERVED that we “more frequently require to be reminded than informed.”

The CEO Advantage Journal offers reminders of simple, practical disciplines to leaders who desire to build their organizations toward greatness. Rather than claim brilliant new methods, we aim to reinforce fundamental disciplines and suggest practical applications of them.

We firmly believe that the success of any organization begins with a strong executive team. The only way to achieve sustainable great results is to build a team of executives who are committed to the values, purpose, and envisioned future of the organization.

The CEO Advantage Journal is for these executives. It should be an aid in addressing some of the greatest challenges facing CEOs and executive teams:

- Our executive team is not performing.
- We lack strategic execution.
- Our business results are not optimal.
- Have I hit the ceiling as a leader?

As advisors who use The CEO Advantage™ process, our purpose is to work with CEOs and executive teams in their quest to build great and enduring organizations, and this publication is a natural extension of that purpose.

the **CEO** | *advantage*™

Team. Strategy. Execution.

The CEO Advantage Journal

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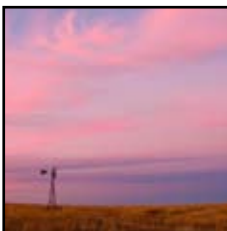
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Dear Reader,

As we enter 2012, opportunities for good leadership abound! In public and private sector organizations as well as in all levels of government, I sense a feeling of positive expectation. People are waiting for strong leaders to step into the voids with sound thinking, fearless vision, and relentless energy. Who will step up? Will it be you and the people in your organization? I hope so.

Building and nurturing a productive organization requires two important elements: (1) over-satisfying the needs of the customer and (2) creating a culture that fosters talent to accomplish #1. Specific challenges and action plans may vary across companies and industries, but the fundamental disciplines of management and leadership remain consistent. The articles in this year's edition of *The CEO Advantage Journal* reflect that consistency. This publication (now in its fourth year) has never purported to offer brilliant new methods; our intent is to offer reminders of simple, practical disciplines to leaders who desire to build their organizations toward greatness.

We are excited to share that the 2011 edition of *The CEO Advantage Journal* won the APEX Award for Publication Excellence for the second straight year. (You can review all past editions at tcajournal.com.) While it is certainly gratifying to be recognized in this way, the positive comments we receive from our readers is even more satisfying. We appreciate you reading and downloading articles and ask that you remain open with your feedback.

An award-winning publication results from a number of unique contributions. The leaders we interview, the advisors who write articles, and the editing, design and printing staff all make significant contributions to the whole. I thank each person who shared his time, insight, and talent, to make this edition a reality.

From the inception of *The CEO Advantage Journal* in 2009, I have been blessed to have Scott Bahr working with me as managing editor. I owe him many thanks for the abilities and zeal he brings to this and other projects. In 2012, Scott plans to transition to a different vocational path. I wish him the best in his future endeavors and expect that he will contribute greatly to the success of his new organization. It has been a privilege to work with him to take *The CEO Advantage Journal* from concept to reality to professional recognition. Thank you, Scott!

From its beginning, we have preserved a few unique aspects of *The CEO Advantage Journal*:

1. This publication is not for sale, and hard copy distribution is limited. However, the full publication, as well as each individual article, is available for pdf download at tcajournal.com.
2. This publication is intentionally void of advertisements and promotional claims. Our desire is to educate and inform through good content set in a visually appealing publication.
3. To provide a visually unique experience, we profile an artist whose work is featured throughout the publication.

I trust you will enjoy reading the 2012 issue of *The CEO Advantage Journal*.



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Judd Patterson

Miami, FL

Judd Patterson's interest in photography grew out of a love for the wide open spaces of his native Kansas. The subtle beauty and seasonal changes of the prairie provided endless photographic opportunities and nurtured in Judd a deep appreciation for nature's grandeur.

Having complemented his photographic talent with a Bachelor's in Biology and Master's in Geography from Kansas State University, Judd now travels the world capturing images to promote environmental education and conservation. He currently works for the National Park Service with the South Florida/Caribbean Inventory & Monitoring Network in Miami. He is particularly motivated to photograph threatened species and habitats in order to play a role in ensuring their future. As a bonus, his career and hobby grants him the sheer joy of being outside.

Judd's photography has contributed to a variety of regional and national causes, including The Nature Conservancy and Audobon Society publications, nature education centers nationwide, Kansas/Great Plains birding guides, and a National Geographic book on bird plumage. He has exhibited in Kansas, Florida, and Washington, D.C., including shows at the Department of the Interior Museum and Everglades National Park.



www.juddpatterson.com



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Should Financial Performance Drive Your Culture?

by Ellen Bryson

What is your company's purpose? If you know it, do your employees know it? Are they focused on making it a reality every day? If the answer to any of these questions is no, you have work to do.

UNLESS YOUR EMPLOYEES clearly understand and buy into your company's reason for existence, they will eventually lose any passion they have for your work and ultimately leave your organization. Today's workers want more than a paycheck; they want connection to something bigger than themselves. They want to know how their talents contribute to the successful realization of a shared vision. If they don't find it at your company, they will seek it elsewhere. Based on the evidence of today's highly transitory workforce, it seems they do not often find it at their next stop, either. In short, those companies who are able to align their employees around a clearly articulated purpose seize a distinct competitive advantage in the marketplace.

All purposes are not created equal, however. While there is no "right" purpose, I suspect there is a wrong one: financial performance. When growth becomes your purpose, trouble is not far away. McDonald's discovered this in the late 1990s when they shifted their focus from "QSCV" (quality, service, cleanliness, and value) to building more



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restaurants. By early 2000, McDonald's had more than 28,000 restaurants with annual revenues in excess of \$15 billion. Two years later, they experienced their first quarterly loss since 1954.

Starbucks had a similar experience. In *Onward: How Starbucks Fought for Its Life Without Losing Its Soul*, Howard Schultz shares how Starbucks lost its focus. In effect, growth became their purpose. Schultz says that financial growth is not a strategy; it's a tactic. He admits that when Starbucks began pursuing undisciplined growth as a strategy, their culture crumbled and they lost their way. Ironically, the financial

great examples of an innovation culture.

A culture of operational excellence seeks to reduce costs or increase operational efficiency. These companies strive to be "low cost" leaders, constantly improving quality, systems, and processes in order to drive out cost and inefficiencies. Dell and Southwest Airlines are well-known examples of this culture. (Both also have strong connections to their customers.)

While healthy companies typically exhibit elements of more than one of these cultures, one usually emerges as primary. One is not better than the other, but it is important to understand which one is the driving force behind your company's success and provides the greatest opportunity for competitive advantage in your market.

Once you understand your core culture, you can design employee staffing and retention processes around

it. When your employees buy into your purpose and vision from the outset, they will be motivated to excel and grow within your organization, which in turn will excel and grow your company. This close linkage between people and purpose is the essence of cultural alignment, which:

- reduces problems associated with politics, morale, productivity, and turnover;
- fosters a deep personal connection between employee and company,
- creates an environment where employees experience more fulfillment in their work,
- improves decision making,
- increases organizational clarity, and
- creates a competitive advantage.

In a June 2011 McKinsey Quarterly article, *Organizational Health: The Ultimate Competitive Advantage*, authors Scott Keller and Colin Price reveal that organizations focusing on both performance and health (culture) rate themselves twice as successful as those focusing on health alone and nearly three times as successful as those focusing on performance alone. Success in your business is not driven by sales numbers. It's rooted in your culture. Understanding the larger purpose that drives your organization and nurturing employees who share that vision will yield far better results than focusing on financial performance alone.



Ellen Bryson is a licensed CEO Advantage advisor and owner of Bryson Trails Consulting. She has 25 years of business leadership and management experience in the telecommunications industry. She can be contacted at ellen@brysontrails.com.

Financial performance is the *result*, not the *cause*, of serving customers well.

performance they were pursuing eluded them when it became their chief focus.

Both companies have since had happier times. McDonald's recognized the errors of its ways, refocused, and revamped its business model. This resulted in one of the most remarkable restructurings in modern business times. Starbucks, after much self-examination and hard work, set out to become a very different company and began to rebound. Today, they are again focused on their core: sourcing, roasting and serving the highest quality coffee in the world. Schultz recognizes that his company's relationship with its people—its culture—is its most sustainable competitive advantage and the key to long-term success.

In their book *The Discipline of Market Leaders*, Michael Treacy and Fred Wiersema talk about three distinct operational models: customer intimacy, innovation, and operational excellence. In my experience as an advisor to CEOs and executive teams, I have seen each of these manifested as the driving force of culture. I have never seen a thriving company with a culture centered on its own financial performance ahead of serving the customer. Is financial performance important? Of course! But it is the *result*, not the *cause*, of serving customers well.

A culture of customer intimacy specializes in customization and solving unique customer problems. In short, it seeks to build value in the customer relationship. These companies tend to have fewer, but deeper customer relationships. In their quest to understand the customer, anticipate his needs, and deliver exceptional service, the front line employees enjoy a strong bond with the customer, and that becomes the competitive advantage. Starbucks, The Container Store, Ritz Carlton, and Nordstrom are able to charge premium prices for their services precisely because of their customer intimacy culture.

A culture of innovation is extremely focused on quality and the product cycle. These companies are on the leading edge of technology and design, constantly creating new products and even new markets. People with high intellect thrive in this culture. Nike, Google, Facebook, Zappos, and W.L. Gore are

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FEATURE INTERVIEW

Straight Talk

with Jeffrey Pfeffer

The author, speaker, and Stanford business professor doesn't hold back in this wide-ranging conversation.



Photo courtesy of Jeffrey Pfeffer

IF YOU'RE LOOKING for sugar-coated advice, don't talk to Jeffrey Pfeffer. If you want the hard facts as perceived by a noted authority in the area of organizational management, talk to Jeffrey Pfeffer.

Pfeffer is the Thomas D. Dee II Professor of Organizational Behavior at the Stanford Graduate School of Business. Chances are that you have encountered him before. Perhaps it was in one of his books such as *The Knowing-Doing Gap*, *Hard Facts*, *Dangerous Half-Truths*, and *Total Nonsense*; or his latest: *Power: Why Some People Have It—and Others Don't*. Perhaps it was in one of his Harvard Business Review articles such as "Evidence-Based Management." Perhaps you've seen him interviewed on *60 Minutes* or featured in a magazine column. He has been teaching since 1971 (at Stanford since 1979), and as a speaker, consultant, and research writer, his influence has a far reach.

In Summer 2011, CEO Advantage advisor Troy Schrock, had the opportunity to meet with Pfeffer near his Stanford University office. In a wide-ranging interview, Pfeffer's passion for business, excellence, life, and his work come through strongly. "I'll stay at Stanford until I die," he says, "and maybe longer if I can be buried here."

Pfeffer's blog is titled "Rational Rants." That fits his style: direct, authoritative, and thought-provoking. In this edited interview, you will likely find your own notions challenged on a point or two.

You have written about Pfeffer's Law, which says, "Instead of being interested in what is new, we ought to be interested in what is true." Why is that law necessary?

Too many leaders today have no discipline. They don't stick with something

program, but they never had to refund a cent. That's partly because the program worked, but not everyone who attended his classes saw an increase in sales. Most of them just failed to do the basic blocking and tackling required for an effective sales call. He would tell them

by his high school coach. Kurt Warner was stocking grocery shelves before the Rams finally gave him a chance.

Simon & Garfunkel were right: a man sees what he wants to see and disregards the rest. If we're going to be interested in what is *true*, we need to *think*. Peter

If you are willing to master a process, you have a tremendous opportunity to make a fortune.

long enough to master the fundamentals. Most of execution is driven by doing the small things—the details—extraordinarily well. That requires a lot of discipline and focus, and both are in short supply. That goes for everybody, not just leaders.

Why is there such a lack of discipline and focus? Are business leaders simply bored?

They're being told by strategy consultants that they must keep changing their strategy. Rarely are problems attributed to poor execution, even though problems are nearly always results of poor execution.

I once served on the board of a medical device company. Our overseas sales were great, but our U.S. sales were not. We looked at all kinds of strategies and tactics that might be causing that disparity, but to no avail. Finally, I said, "We've got a controlled experiment here. The same product that sells well overseas is not selling well in the United States. Is it possible that the U.S. sales leader doesn't know what he's doing?" Everyone insisted that was not the problem. But when we eventually had to replace him for disciplinary reasons, sales went up 30% in four months. Sales strategy was not our problem; it was sales execution!

I have a friend who sold a successful sales training company for \$300M. The company offered a money-back guarantee for anyone who completed his

what to do, but they wouldn't do it. It was simply an execution issue.

So it's a matter of finding the right disciplines and following through on them.

They are well known. That's what *The Knowing-Doing Gap* is about. In many instances, people already know what to do. They just don't do it.

What is the role of a leader?

To bring discipline and focus to the organization. Those who do it are successful. A friend of mine told me, "Anybody can do anything for a short time and on a limited scale. The question is whether you can do it repeatedly and scale it." You and I could probably cook one dish at one time as well as Thomas Keller, but can we do it more than once? That requires attention to process.

We teach a little bit of process at Stanford Business School, but executives don't find it interesting. They would rather talk about strategy.

If you are willing to master a process, you have a tremendous opportunity to make a fortune.

Is it a myth that an organization will succeed simply because it has better people?

Complete myth. There's no evidence for it. I suppose that's a good thing since peoples' ability to identify talent is not so great. Look at Michael Jordan; he was cut

Drucker said "Thinking is hard work, which is why so few people do it."

So it's not about better people.

It's about better processes, focus and discipline. Sure, there are differences in ability, but people and organizations really excel through practice and coaching.

In the interest of learning what does and does not work, organizations will often benchmark other companies. Do you see value in that?

No. Why would you benchmark anyone? That will only tell you what someone else *has been* doing, not what they *will* do. The furthest that benchmarking will get you is to the middle of the pack. No exceptional organizations do what everyone else does. I don't know any great organizations that benchmark.

If that's the case, why do so many companies do it?

Job security. If you say you did what everyone else did, nobody can criticize you. It's not about performance; it's about job security. To create your own path, you have to be as crazy as Steve Jobs.

Surely there is something to learn from successful companies.

Of course, but you have to look at how they think, not copy what they

do. *Fortune* published an article years ago about how Toyota gives tours to competitors. They know that quality comes from philosophy, not the buttons that stop the line. I can copy a great hotel's carpet, atrium, etc., but it's not their structure that makes them great. It's their service, which is rooted in their philosophy.

What is "philosophy" in this sense?

A basic insight about what makes your

business successful. Southwest Airlines acts on a basic insight that you don't make money when your planes are on the ground. That's simple. Whole Foods acts on an insight that you can charge more for food that people want to eat. Since they understand that tastes vary by locale, they don't worry about purchasing by the railroad car to minimize costs. Theirs is not a cost minimization strategy; it's a margin maximization strategy.

So it's about identifying what is more important to your business and measuring that.

That's right. If you measure the wrong things, you make poor decisions. Lots of organizations are in a death spiral right now. They've done a great job of cutting costs, but if your objective is to minimize costs, you might as well close. Your costs will be zero.

Cost minimization is not the objective; maximizing profits is the objective. Most companies need to be less focused on costs and more focused on revenues. Variances in profitability seldom come from difference in costs, but in pricing. Singapore Airlines can charge more than United because people don't feel like they're going through torture during the flying experience. Whole Foods costs are probably higher than their competitors; but their margins are better thanks to their service, quality, and selection.

That's true for any business in any industry. The most profitable organizations are those that provide in a cost-efficient way an extra value for which people are willing to pay a premium.

Let's return to Pfeffer's Law. How do you create a culture of truth-telling?

The first step is to get rid of fear.

How?

As a leader, you must admit your own mistakes in front of every employee in the organization. Gary Loveman of Harrah's Entertainment wants to admit all the mistakes he's made so he can convince his managers that they can't possibly cost the company as much money as he has. If I want you to tell the truth, I have to begin by telling the truth myself.

A leader can't expect from an organization anything more than what he will do himself. That's very rare. A lot of people have too big of egos to admit mistakes.

If I'm your doctor, and your PSA test comes back 8 (meaning you have prostate cancer), and to avoid worrying you, I tell you it's a 0.8, I haven't done you a favor. I've killed you. If you wouldn't tolerate lies from a doctor, why would



Photo courtesy of Jeffrey Pfeffer

you tolerate them from any leader?

I don't think leaders who lie always do it deliberately. I think they create their own world in which they can't distinguish truth from a lie. That's even more dangerous. If you can't distinguish what is real, it's hopeless.

In *The Knowing-Doing Gap*, you talk about a surprising result from your research on how people learn. Talk about that.

People learn by doing. For example, no longer do the most innovative software design companies design a product, spec it, build it, then launch a big product release. Instead, they are in constant contact with the customer, releasing incremental versions and collecting feedback. They learn by doing.

You mentioned feedback, which is such an important part of the process. Have you seen any particular companies with exceptionally effective mentoring programs?

Mentoring just means two people sit down every once in a while and have a conversation. Coaching, on the other hand, means being in the trenches and giving real-time feedback. It's much more time intensive, but also much more effective. The military does this well. They play war games where superiors closely observe the action. When it's done, they sit down and figure out what they did wrong.

That coaching/feedback loop is

essential, but most organizations are reluctant to invest the time and resources to close the feedback loop. Many people don't have 20 years of experience; they have one year of experience repeated 20 times.

You have written about organizations wasting talent by pursuing bad practices. Give an example of that.

People hire talent and then tell them what to do. Why would I hire an experienced executive only to constrain him with "our way of doing things?" If I'm going to tell my people what to do, I might as well hire idiots. It's cheaper.

How do we reconcile that with the importance of process? Can people really have the freedom to engage if we've implemented an experience-driven process of best practices?

Yes, process is crucial, but who has a perfect process? There is always room to improve. An executive in one of my classes told me how he questioned a machinist who was machining a part differently from the company process. The machinist answered, "My way is 50% faster and has 20% less waste. Would you like me to do it your way?" The executive replied, "No, I want you to do it your way and teach everyone else how to do it that way, too."

Processes are important, but they must allow people to pilot new ideas and test them. And don't punish people when something doesn't work. Most new ideas

are bad, so failure rates are high. But you learn by doing. You don't get to idea #27 that works until you try #26.

Are you teaching class right now?

Yes. I teach a class to MBAs called "The Paths to Power." We talk about how to become rich and successful.

I bet that class is full.

It is, but they don't like what I teach: hard work, building strategic relationships, learning how you spend every minute of every day, understanding that your peers are also your competitors. This is California, the now/me generation. They don't have the stomach for that stuff.

I read an article about school districts going away from the idea of valedictorians. At swim meets, eight kids swim, and eight get ribbons. We're trying to say, "There's no competition." That's not true. There's only one CEO in an organization, one managing partner in a law firm, one superintendent in a school district, one congressman in each district, one president.

How long do you plan to work?

Forever, because I don't work. A friend asked me recently, "Are you retired?" I said, "No. Would you be able to tell the difference if I was?" He said "No." I said, "Then why would I retire?"

I have the best job in the world.

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Why would I hire an experienced executive only to constrain him with "our way of doing things?" If I'm going to tell my people what to do, I might as well hire idiots. It's cheaper.

CREATING a CULTURE of STRATEGY EXECUTION

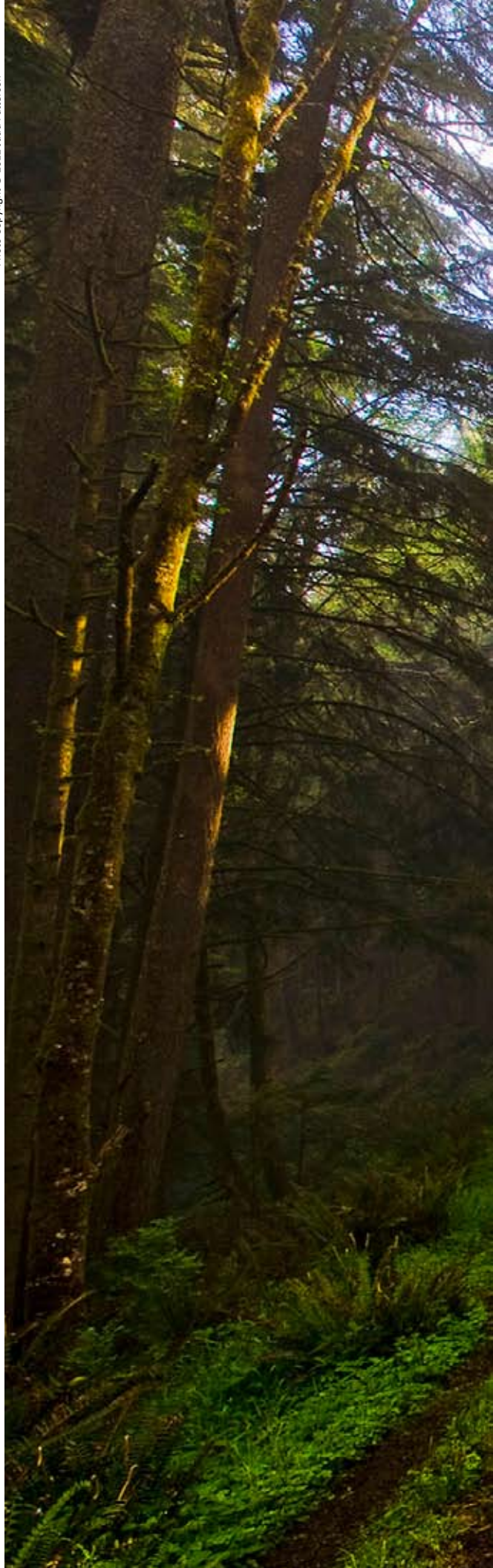
*How to foster an environment
in which everyone is focused on
achieving a shared set of goals*

BY TROY SCHROCK

SUCCESS IS NOT rocket science. One might think that the most successful organizations have some key insight that sets them apart, but nothing could be further from the truth. We live in a time in which knowledge is accessible to just about anyone for very little (if any) cost. Indeed, the basic principles of success are well known, but most people and organizations struggle to put them into practice. What differentiates the greats from the rest is an understanding of the *knowing-doing gap*, the difference between what people know they *need* to do and what they *actually* do. It's not access to knowledge or even lack of desire that holds people back. It's simply poor execution.

Strategy execution is about more than completing a checklist; it's about creating a culture. How does an organization foster an environment in which everyone is focused on achieving a shared set of goals? This article shares a few observations and disciplines from my work with clients using The CEO Advantage Process™. These ideas are not new, and they are definitely simple, but they are difficult to implement. My hope is that you will glean from this article a better understanding of what you must do to strengthen the culture of strategy execution in your organization.

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IT'S NOT WHAT YOU DO. IT'S HOW YOU THINK.

Look at these pictures. Do you see a common theme among them? Each shows the results of a faulty foundation. The impact of a poor foundation is seen all the way to the top of the building.



So it is with business organizations. While I intend to share a few disciplines to help you execute your strategy, these “best practices” will do little good if placed on faulty thinking. It is not as much about *what you do* as *how you think*. “Southwest’s essential difference is not machines and ‘things,’” says Southwest CEO Herb Kelleher. “Our essential difference is minds, hearts, spirits, and souls.” Without the right thinking, any gain from the best of practices will be marginal at best—and negative at worst. Yes, performance may actually

decline when poor thinking patterns clash with the attempted implementation of even the most proven practices.

CHANGING CULTURE MEANS CHANGING BEHAVIOR.

Creating a culture is really about *changing* a culture. Any organization already has a culture, but that culture will not naturally drive strategy execution without deliberate action by the CEO and executive team. The linchpin to cultural change is change in human behavior (patterns of thinking and habits of action), so before going any further, I would like to discuss four aspects of human behavior as they relate to strategy execution.

The first is what I call the 90 Day Results Window. I’ve been told it takes 21 days to break a habit, but I think this is too short to establish lasting change. Ninety days—a full calendar quarter—is more likely the required time to replace old behaviors with a new set of habits and see meaningful results. (This must be why diet and rehabilitation programs frequently last for 90 days.) Why 90 days? I’m sure there is research that provides a deeper explanation, but my observation is that the 90 Day Results Window is large enough to see meaningful results but short enough to feel attainable. Those who commit to achieving a goal almost always start with great momentum and see encouraging early returns. These early successes, however, are rarely indicative of real change (e.g., the “fluid loss” phenomenon in weight loss). Inevitably, the real tests of one’s resolve come *after* this initial high. The person who can sustain a new behavior for 90 days will have passed several of these tests and can carry some real momentum into the next 90 days.

The second is what I call the 70/30 Curve (see figure at right). Two significant outside agents help in change: the process framework (the right exercise plan, for example) and the accountability structure. These two agents work together. In the beginning, the process is the dominant driver (probably

70%) of the change. The remaining 30% is nurtured by an accountability structure such as regular reports to an outside party. In their article “Leadership is a Contact Sport,” Marshall Goldsmith and Howard Morgan present research showing how the simple act of follow-up increases the likelihood of a new skill being implemented into real practice over time.

As time goes on, the process framework and accountability structure will shift in their relative impact. The framework always holds value, but as the individual or team gets more comfortable with it, the accountability structure increases in importance. We tend toward laziness in application once something becomes familiar. An accountability structure provides value simply by reminding you of what you already know, but too often forget.

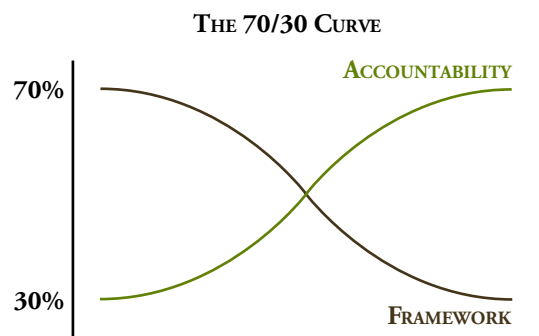
The third is that change invites tension between rational and emotional thinking. Rational thinking pursues the long-term benefits of a change; emotional thinking seeks to avoid the short-term pain of change. Chip and Dan Heath address this tension in *Switch*, and it’s a real hurdle for anyone working to change organizational culture.

The fourth aspect of human behavior I want to acknowledge is the importance of *daily* disciplines in the practice of one’s craft. Writer Jack London wrote 10,000 words each day. Basketball star Ray Allen makes five shots from 25 spots on the floor plus 25 free throws (that’s 150 total makes) before each game. High-performing salespeople make a certain number of calls each day. What are your daily habits? What *should* they be to help you become the best in your position?

FOUR DISCIPLINES OF STRATEGY EXECUTION

Let’s turn our attention now to four disciplines of strategy execution. These disciplines include a concept, a rhythm, a framework, and a personal tool.

The *concept* of strategy execution is prioritization. The CEO and executive team need to identify *the most important* objective for the organization for all significant time frames (at least the next year and next quarter). I call this the Lead Domino Theory. The #1 objective is the lead domino that must fall in order to most effectively meet all other organizational goals.



Listing objectives is easy. Executive teams have little trouble identifying fifteen or more things that need to be done. It takes more effort to get that list down to seven or ten, and it's downright difficult to focus on three to five with a clear number one. This exercise is critical to strategy execution. As Peter Drucker said, "You have not prioritized unless you have excused items from the list; you've merely rearranged the list."

One thing that made former Apple CEO Steve Jobs unique was his reported ability to listen to three or four high quality ideas and very matter-of-factly say, "dumb idea...dumb idea...good idea! That's the one!" Contrast that with many executive teams who, when faced with several worthy ideas, want to pursue each one. I call it engorging at the trough of opportunity. There is lots of appealing food, it tastes good, but you walk away bloated and weighted down. Businesses rarely suffer from lack of opportunity, but few have the discipline to choose the best opportunity and let the others go.

Rarely is multi-tasking really a virtue. People perform better when focused on one thing. We see this with distracted driving, which clearly leads to more accidents. Yet, we practice distracted management all the time and seem to think we are being effective. Dan Sullivan, founder of the Strategic Coach program, maintains that the ability to focus will be the key competitive advantage for individuals in the 21st Century.

Prioritization is hard work, and it takes time. Some leadership teams are tempted to bypass this exercise so they can get to work, but the time spent narrowing your focus will save much more time later on. Mark Twain quipped, "I wrote you a long letter because I didn't have time to write you a short one." Indeed, we frequently waste time with lots of mediocre objectives because we don't take the time to focus on the best few.

Let's talk about *rhythm*. Jazz musicians—who sometimes have never played together before—are able to create music together on the fly because their individual improvisation is all performed within the container provided by the rhythm section (piano, bass, and drums). Similarly, a culture of strategy execution exists within the container of a quarterly rhythm.

The quarterly rhythm begins with an annual strategic planning session in which the year's initiatives and first quarter's priorities are set. Three additional quarterly sessions carry the team to the next annual planning session. Each quarterly recalibration meeting should provide four distinct outcomes for the executive team:

1. Performance Review (based on the previous quarter's priorities)
2. Perspective on the Annual Plan (based on performance relative to annual priorities)
3. Priority Focus (based on a few company priorities for the next quarter)
4. Progress Acceleration (a quickened pace of operational results and progress toward the organization's envisioned future)

Recommended Reading: For more insight on setting an effective meeting rhythm., I highly recommend *Death By Meeting* by Patrick Lencioni and *Mastering the Rockefeller Habits* by Verne Harnish.

Dwight D. Eisenhower once said, "Plans are nothing, planning is everything." Circumstances constantly change, but you must anticipate and plan to the best of your ability. The quarterly recalibration meeting allows you to continually examine current priorities in light of your long-term objectives and the changing reality. It keeps you nimble, but with a plan.

The *framework* of strategic execution is the one page strategic plan. Based on many years of work with clients, CEO Advantage advisors have developed and consistently used the One Page Translator™. This framework quickly focuses the executive team on:

- who they are as an organization (core ideology),
- where they are heading as an organization (envisioned future),
- what they do as an organization (brand and market position), and
- how they are going to realize their envisioned future (clear priorities for the next three years, the current year, and the current quarter).

The One Page Translator is a powerful tool for guiding sound strategic thinking and aligning the entire organization around a single plan. (You can download the One Page Translator at www.theceoadvantage.com/advantage/translator.html.)

The *personal tool* of strategy execution is the priority card. Research has clearly demonstrated the link between writing goals and achieving them. Start each day by writing on an

Rarely is multi-tasking really a virtue. People perform better when focused on one thing.

index card the most important thing you need to accomplish that day. Next, record another two to four items. (Depending on the nature of your work, you may find weekly priorities to make more sense or you may want to do *both* daily and weekly priorities.) In the course of your work, you will undoubtedly be pulled into other concerns. When this happens, make sure you return to your priority card and refocus your efforts and energy on the top of the list. I have practiced this discipline for years, and my feeling of accomplishment for a given week rests on the degree to which I stay focused on the priorities I lay out in advance.

These four disciplines of strategic execution are simple to describe, but they require—well, *discipline* to implement over the long term. The effort is well worth it, however, and the more proactive you are in addressing the aspects of human behavior discussed earlier, the more successful you will be.

ORGANIZATIONAL BARRIERS TO STRATEGY EXECUTION

Even with the right tools, strategy execution is tough. Sometimes the hurdle is one or more of the individual behaviors discussed earlier. Other times, organizational barriers stand in the way. Perhaps the best list of organizational barriers to converting knowledge to action is provided by Jeffrey Pfeffer and Robert Sutton in *The Knowing-Doing Gap*.

1. *Internal competition turns employees within the same organization against each other.* Some time ago, I worked with an organization that included several legal entities (sister companies). For several years, management wrestled with contention over talent resources, service rates charged between the companies, and management's allocations of overhead. They eventually realized that much of the tension between the sister companies resulted from incentives based on individual company gross margin and profitability. Implementing an organization-wide profitability incentive structure went a long way toward solving the problem. The employees in each organization can now focus on beating the competition instead of beating each other.
2. *Talk substitutes for action.* Some companies spend too much time planning and presenting ideas rather than actually implementing those ideas. In these situations, those who present well are rewarded with higher levels of responsibility—sometimes before the actual results of their ideas are evaluated. Even if the ideas failed, the one who proposed them is already carrying similar thinking to higher levels.
3. *Institutional memory substitutes for thinking.* We all know of things people do simply because that is the way it has always been done. It is worth asking why things are done and whether they should continue to be done that way.
4. *Fear prevents action on new knowledge.* When leadership penalizes failure too heavily, employees are afraid to try anything new. Fierce protection of the status quo suffocates a spirit of innovation.
5. *Measurement systems obstruct good judgment.* Recall the company that had to change its incentive structure before its various sister companies would work together. Measuring the wrong things can encourage the wrong behaviors.

IT ALL BEGINS WITH LEADERSHIP.

We have examined the challenges in changing human behavior, the disciplines of strategic execution, and the

organizational barriers to conquering the knowing-doing gap. Now, let's consider the most important influence in any organization: the CEO and executive team.

It's common to see a pyramid diagram with the CEO and executive team at the top. I prefer to invert this diagram and put the leadership team at the bottom. They are the foundation, and everything above them (people, culture, policies, systems, etc.) represents the reach of their influence. Like a building, the structural integrity of the organization depends on the soundness of the leadership foundation.

Therefore, the CEO and executive team must be willing to hold themselves to a higher standard than the rest of the organization. Years ago, Scott McNealy, then CEO of Sun Microsystems, commented that organizational leaders must be willing to live “beyond themselves”—modeling right

The leadership team is the foundation; everything else (people, culture, policies, systems, etc.) represents the reach of their influence.

thinking and right acting in a way that serves the good of the organization rather than their own self-interests. This requires a certain level of humility along with a strong desire to see the organization succeed.

In my experience advising executive teams, I have found four specific characteristics of leaders who successfully create cultures of strategy execution in their organizations. First, they take direct accountability for building a strong executive team. If you are not already familiar with *The Five Dysfunctions of a Team* by Patrick Lencioni, you need to be. Any executive team should constantly be reviewing the health of their team in light of Lencioni's framework.

Second, they make sure the leadership team spends ample time working *together*. Actually, I have yet to find an executive team that could not benefit from doing this more. Most think that “real work” is not getting done when they are stuck in meetings with each other. In reality, solo work by individual executives can never accomplish as much as productive work together. I'm not talking about meetings with no clear objective where everyone arrives unprepared and endures a boring monologue of “report outs.” Those meetings are a waste of time and *should* be avoided. I'm talking about focused meetings with real debate over matters critical to the organization's objectives. That's where “real work” happens for the executive team, and those meetings are *fun*!

Third, successful leaders prepare for meetings. (This relates to the previous point.) A good meeting starts *before* the actual meeting time. You must block time in your calendar prior to the meeting to prepare anything that will contribute to productive dialogue. You should not waste your colleagues' and your organization's time by showing up unprepared.

Fourth, successful leaders are patient for results. We all

want instant gratification, but leaders set a poor example when they constantly jump from one program to the next in search of a silver bullet. When employees see this enough times, they begin ignoring new initiatives in anticipation of it changing again. Consistency in management disciplines allows results to accrue over time.

These four behaviors—taking accountability for the executive team, making sure the team spends time working together, demanding advance preparation for team meetings, and exhibiting patience for results—set a tone of strategic execution that will carry over into the entire organization.

AVOID FOUNDATION PROBLEMS

What does the foundation of your organization look like? Is there faulty thinking in your organization that prevents strategy execution? More specifically, is there faulty thinking at the leadership team level? To find out, just look at the front-line employees. How they approach their work reflects how the leaders approach their work. The culture of the organization begins with the leadership team.

In this article, I have reviewed some disciplines that will help you build a culture of strategy execution. I have also covered some of the important aspects of positive change for both individuals and organizations. Now, I ask you: please do *not* go back to your organization and roll out a new program. *Do*

go back and implement these disciplines with your leadership team. You don't need a silver bullet (which is good, because it doesn't exist). You need a lifestyle change. Your employees will not live the disciplines of strategy execution unless they first see those disciplines modeled by you.



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the role of the CEO's Spouse

It really is lonely at the top, but it's less lonely if the CEO and his spouse can truly function as a team. **BY DAVID DUDON**

THOSE WHO HAVE read my past articles in *The CEO Advantage Journal* know that I am intensely interested in family businesses. This passion arises from my own experience as the second-generation CEO of a manufacturing firm. I've known both the joys and the struggles of operating an enterprise that matters so much to those I care about most. It's one thing to have a wife and children depending on you; it's another to have parents, siblings, nieces, and nephews watching, as well. Indeed, it is a solemn responsibility—and a fulfilling one.

Family businesses have unique issues, but *every* business has at least one family to whom it is a family business whether the outside world characterizes it that way or not: the CEO's family. To run a company effectively, one has to live and breathe it. Many hours are spent at work, and even the hours at home are often occupied with thinking of issues at work. In that sense, the spouse and children are wrapped up in it, too.

Shelves abound with books professing to help CEOs run their businesses, but not much has been written about the role of the CEO's spouse. (In this article, I will assume the CEO's spouse to be a female even though I realize that many businesses are run by a female. I will also assume that she is not working in the business.) She plays a critical role not just in the life of her husband, but in the health of the business. It can be hard to quantify and some might question her influence,



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but make no mistake, her role is immensely important. She must know her role and its limitations.

THE ROLE OF THE CEO'S SPOUSE

What *is* the role of the CEO's spouse? First and foremost, she must be his moral strength. It really is lonely at the top; he does not have many with whom he can share his struggles, doubts, and worries. He will come home drained, and his wife must fill him up. Home should be a haven—a recharge station—for him. It has been said that behind every good man is a better woman, and I believe it. Marriage is a wonderful institution in which each half supports the other. In the case of the CEO, his wife will often need to be the one who props him up and renews his desire to keep going.

The spouse's second role derives from the first: she must show interest in the business. I cringe when I hear a CEO's wife say, "That's his business, and I let him deal with it." The CEO couple is in it together, and that's not just for the CEO's benefit. Shortly after selling my business, I did some work advising businesses in turnaround situations. In one case, my client's business was beyond saving, and I convinced the owner and his wife to visit a bankruptcy attorney. The wife had chosen to be uninvolved up to this point, and as I explained the dire situation to the counsel, she began crying hysterically as she finally began to understand for the first time that they would

lose everything. How regrettable that was. It would have been better for both of them to be operating more as a team.

Showing interest in the business necessitates being a good listener. The CEO needs a trusted ear on which to dump his thoughts and concerns. My mother is a prime example of this. When I was a child, she rarely visited my father's company. It wasn't until I worked in the business for several years that I discovered the vital role she had played in the company's success. I enjoyed visiting her frequently and sitting at the kitchen table to visit. Inevitably, our conversation would turn to the family business. Topics I thought she knew nothing about flowed from her lips as if she had worked at the business for years. The only way she could have known this information was through my father. After he passed away, my mother explained that Dad had shared everything with her, frequently asking for her advice. He seldom followed her suggestions, but he sought her counsel, nonetheless. Her willingness to listen played a huge role in his success, and that success directly benefited the company.

The third role for the CEO's spouse is to be the voice of perspective. Running a business can be a roller coaster ride of emotions. The CEO will frequently come home wrapped up in

There will be times that the family needs financial reserves. The CEO is used to spending money in the business that he doesn't have, and his wife must be the voice of discipline that keeps him from doing the same at home.

With any of these roles or others I have not covered, the CEO's spouse should not underestimate her role. He might not ask for her help, but he wants her help. Indeed, he *needs* her help. He won't make it without her. Many times, she is his only confidante, and her intuition and reason may even be worth more in a business sense than his highest paid executives. Certainly, *she* is worth more than the business. That is something the CEO had better understand.

LIMITATIONS ON THE ROLE OF THE CEO'S SPOUSE

As much as the CEO's spouse should not underestimate her role, she must also understand the limitations of her role. The owner of a business in my industry was forced to seek medical treatment out-of-state for several months. During this time, his wife stepped in as CEO. She had absolutely no experience in this realm, and it showed. Without consulting her husband, she formed a partnership with a competitor of their largest customer. When that customer caught wind of the deal, they cancelled all orders and placed their business with other suppliers. Not long after, the new partnership with the competitor proved to be a total bust. Eventually, the \$100

million business closed.

The lesson? As important as the CEO's spouse is to the business, she cannot automatically step into a leadership role and expect good things to happen. That is not where her value lies. Even if she is not running the business, she must resist the temptation to think she is bigger than she is. She can't tell people in the business what to do. She can't get jobs for people. She can't expect to have direct strategic influence on the company. Her role is to help her husband be the best CEO that he can be. If she serves that role well, it won't be just her husband who benefits. The business and her family will be better off, as well.

I cringe when I hear a CEO's wife say, "That's his business, and I let him deal with it."

the major issue of the day. The spouse's job is to help him not get too high with the highs or too low with the lows. She can help him remember how similar situations have worked out in the past. She can remind him that this is just a blip on a much larger radar screen. That leveling influence is invaluable to a CEO, and what better source for it than the one he can trust the most.

The CEO spouse's fourth role is to initiate communication on how her husband's work is affecting the family. Most CEOs have good intentions with the time and energy they pour into work; they're doing it for their families. That said, they are still spending more time in the business than with their wife and children, and that is taxing on the family. It's easy for the spouse to become jealous of the business. Here's the blunt truth: the spouse needs to confront these issues if she wants to stay married. Letting them fester is a recipe for disaster. It's not an accident, unfortunately, that divorces are so common in the upper levels of business. It doesn't have to be that way, but avoiding that situation requires a strong CEO and a strong spouse, and that strength manifests in open and honest communication. They must be in this together, a point reinforced by the first three spousal roles I've covered.

The final role of the CEO spouse that I will cover here is the money manager. She will most likely control the purse strings of the home, so she must learn to budget and stretch a dollar.



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WHY RETIRE?

AS A YOUNG BOY, I distinctly remember hearing my older relatives and their friends complain about their work. This was particularly noticeable on Sunday evenings as they contemplated getting back into the grind of another week. It always perplexed me to hear them talk that way. “Why would anybody continue to do something they don’t enjoy?” I wondered. Why not do something you *do* enjoy? And if you enjoy it, why stop?

These questions developed a passion for what I call *lifetime effectiveness*: engaging in productive work throughout one’s lifetime. I believe there is honor in work and that God has created us to work and be productive in His creation. This ideal runs contrary to the modern goal of retirement, a historically new idea that, in my opinion, deserves to be challenged.

In 1880, more than 75% of men over the age of 65 actively participated in the labor force. Since then, the labor force participation rate of these men has declined steadily to less than 20% despite the fact that today’s average 65-year-old is more than capable of working (and with his experience, he is perhaps more valuable than ever). Studies show

that we are not spending more time *in* “old age,” but we are taking longer to *get to* “old age.”¹ A 1990s MacArthur Foundation study found that most middle-age people feel 10 to 15 years younger than their actual age and feel generally optimistic about their future health.² Indeed, today’s “old” really are not so old anymore.

Better health in late life is good news, but it also brings some new economic realities. Over the last century, the retirement rate has risen, the average age of retirement has declined, and life expectancies have increased dramatically. (The average life expectancy, which was 62 in 1935, is about 78 today.)³ If the current trends continue, today’s 20-year-old can expect to spend one-third of his life in retirement. That is simply unsustainable, and we are about to be hit by the economic tidal wave of retiring baby boomers that will crush the financial capacity of a comparatively small producing population.

For this reason, we need to rethink retirement. We simply cannot expect to live longer without being willing to work longer. The reasons go far beyond sociology and economics, however. The biggest beneficiaries of seniors choosing to remain in the



That's more of a challenge than a question. Four professionals beyond the age of 80 explain why they remain engaged in their vocations.

By Troy Schrock

workforce are the seniors themselves. Spending days on the golf course or relaxing in a vacation condo may be fun for a while, but in talking to retirees about their lifestyles, one finds a fairly consistent theme: they're *bored*. Though a period of leisure and relaxation may be well-deserved and even enjoyable for a time, the retiree who completely checks himself "out of the system" denies himself the fulfillment of productive work. It feels *good* to be productive.

Not everyone has bought into the notion of retirement. I decided to look for people who have chosen to remain engaged in their vocations beyond the age of 80. It didn't take me long to find four of them. These people don't have to work; they choose to work simply because they like being engaged. They essentially ask the same question I've asked for a long time: *why not do something you enjoy, and if you enjoy it, why stop?*

Bernie Moray is the owner of a furniture retailer. Dorothy Zehnder still runs the kitchen at her famous restaurant. Jack Kirksey simply loves serving his hometown. George Roumell enjoys arbitration work. These four have different backgrounds, different industries, different motivations, and different

personalities; yet when I asked why they choose not to retire, each was somewhat perplexed! "I'm not sure I've thought of it that way," said Moray. "I don't know how to answer that," said Zehnder. Roumell was more emphatic: "I challenge your premise that retirement is expected!" Kirksey is simply "happier when I am engaged in work than when I am not." They enjoy their work, they find fulfillment in the contributions they make, and they don't see why age should keep them from doing that.

I really admire these people. In reading the edited interviews on the following pages, I hope that their zeal for their work will motivate each of us to find ways to remain productive through our "retirement" years, which may be just the key to enjoying them.

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1. Dychtwald, Ken. *Age Power*. New York: Jeremy P. Tarcher/Putnam, 1999. 86.
 2. *Ibid.*, 90.
 3. Arias, Elizabeth. "United States Life Tables," 2004. *National Vital Statistics Reports*; vol. 56 no. 9. Hyattsville, MD: National Center for Health Statistics. 2007. 34-35.



Bernard (Bernie) Moray

Gorman's Furniture
Southfield, Michigan

BERNIE MORAY first entered the furniture industry in 1949 with Robinson Furniture, a high-end retailer in his native Detroit. After selling their sofa beds around the country for a couple years, he moved to Grand Rapids, Michigan to run the factory that Robinson opened there. By 1960, that factory was manufacturing \$3 million worth of upholstered furniture annually.

When Robinson filed for bankruptcy in 1965, Moray bought a little company called Gorman's. The next year, Moray opened the store in Southfield, Michigan that still operates today. That proved to be an especially good move when his Detroit store burned down in the 1967 riots.

Today, Gorman's operates five Michigan stores, including one in Grand Rapids that has an interesting story behind it. Moray had been operating a successful operation there when, in 1995, the owner of his building sold the space to someone else who wanted to get into the furniture business. Fifteen years later, that store had to liquidate, so Moray leased the same building and

opened another Gorman's store in that location.

About five years ago, Moray opened Gorman's Hospitality Solutions, a Chicago-based company that sells furniture for timeshares, apartments, and hotels. That business now generates about \$3 million per year.

"And in all that time," chuckles Moray, "I got older."

Why have you chosen not to retire?

One factor is seeing my retired friends who are bored out of their skulls. They say, "I never should have sold out and retired."

More than that, however, is the health factor. Some of my retired friends think they have to call the doctor every time they bump a knee. They spend half their time trying to keep their bodies in shape because they're deteriorating.

My philosophy is that if you have been very active, you need to replace that activity with another activity or your mind and body will atrophy. I like what I do, I enjoy what I do, and I do it well. The Lord has been good to me, and as long as I have the physical and mental capacity to work, I'll die in the saddle.

How do you maintain the physical and mental conditioning necessary to keep going at your age?

I played tennis for years before a knee problem put a stop to that, but I still work with a trainer three days a week and exercise on my own to make sure that I'm physically fit. As for mental fitness, I'm challenged every day.

How so?

For one thing, I read a lot. I subscribe to every important furniture publication. As former president of the National Home Furnishings Association, I'm in touch with key people in the industry every week.

I also remain actively engaged as owner of our business. We run a very professional organization, and I have to stay current. If you would have ever told me we'd be on Facebook and paying people to give us keywords for our website, I'd think you were crazy! But

we do that now (and it has paid off very well).

Was there a certain point when you made a conscious decision not to retire?

I'm not sure I've thought of it that way. Since you ask, I suppose there was one such moment. About 40 years ago, my wife mentioned reading an article that said age is just a number, and as long as everyone in a group is physically and mentally tuned in, age should not matter. Age difference may matter in high school, but nobody cares about it in the real world. People are recognized for their knowledge and ability. With that in mind, the article said to pick an age early in life and choose to be that age for the rest of your life. So I decided to be 48 forever.

I've got to tell you, that's been a big help to me. My friends recently threw a huge 90th birthday party for me. I enjoyed that, but when it was over, I said, "Listen all you people. I am 90, but my real age is 48. I've gone back to it now, and I'm going to stick to it as long as I live."

I'm not ashamed of my age; in fact, I'm proud of it. But if I focus on 90, the clock is ticking, and that's somewhat frightening. I'd rather focus on 48. That's been one of my secrets.

What are some of your passions outside of business?

Several charities are very important to me. One is the Friendship Circle, an organization devoted to children of special needs—mostly autistic. I've been with them from the beginning. We service thousands of kids every day on a \$5 million annual budget.

I'm also on the Board of Visitors at Wayne State University. I enjoy being involved in a lot of things. It keeps me well-rounded and gives me something more than furniture to talk about with other people.

How do you manage work/life balance?

My wife was also in the retail business for a long time, so she is very involved and supportive of our work. My wife

and I are very social. We are busy no less than 4-5 nights a week.

If more people stayed engaged in their vocations later in life, what would be the benefits to them as individuals and society as a whole?

Some people think that when they are financially secure, they can retire and do everything they want to do. But then they find there is nothing to do. Many years ago, I heard a presenter say, “Most of the people in this room are looking forward to retiring at 65, but I have news

for you: the average person who retires at 65 dies 11 months later.” I don’t know what those numbers are today, but I think the trend is legitimate.

Longevity is not in my genes. My father died at 59, and my mother died at 70. I attribute my health to good doctors, vitamins, and continued activity. I count my blessings every day.

That’s wonderful. It is a blessing to engage in something you enjoy for a lifetime. How do you envision passing on what you’ve done to the next

generation?

Everything is in place. This business is self-supporting and in a good position to grow beyond me. We have a strong team. The executive managers hold equity, so they’re working for themselves as well as the company. My son will inherit the majority of stock and real estate, but he won’t be the president. He’s found his niche in another area of the company. It doesn’t matter what function you perform as long as you are performing a positive function for the company.



Dorothy Zehnder
Bavarian Inn Restaurant
Frankenmuth, Michigan

FRANKENMUTH used to be just another rural farming town in mid-Michigan. Then William “Tiny” and Dorothy Zehnder, along with Tiny’s family, bought the Fischer’s Hotel in 1950, and everything began to change. Following two money-losing years in 1956 and 1957, the Zehnders defied conventional wisdom by expanding the restaurant and remodeling it in Bavarian style. After a week-long celebration with German entertainment in 1959, Michigan’s “Little Bavaria” was born. (That celebration still occurs annually as the Frankenmuth Bavarian Festival.)

The Bavarian renovations and expansions have hardly stopped since. The Bavarian Inn Restaurant now seats 1200, and with the impressive Bavarian Inn Lodge next door, it is one of Michigan’s most popular family attractions. Following the Zehnders’ lead, the rest of Frankenmuth has adopted the Bavarian theme. It is truly a unique place.

Tiny died in 2006, but Dorothy still runs the kitchen as she has since they bought the place in 1950. She still uses many of her original recipes, and even at 90, she still regularly works six days each week. Her motto is: “if you don’t feel well, go to work and pretty soon you’ll feel better.”

One word describes a conversation with Dorothy Zehnder: *delightful*. Her energy and positive attitude would put much younger people to shame. Even at 90, she sounds believable when admitting she would have to work for someone

else if she left the Bavarian Inn. But she won’t be leaving the Bavarian Inn. We’ll let her tell you why.

You’ve built quite an organization. How many people do you serve?

We serve about 15,000 each week—sometimes 18,000. We cook all day long. We want everything to be fresh, so we don’t make much ahead of time or else the food gets mushy.

I hear you have published a cookbook.

Yes, I have. It just came out, and it’s going very well. When we remodeled and “Bavarianized” this place in the 1960s, I did all of the menu planning. Most of our food, including our pies and cakes (all of which we bake ourselves), are still from my recipes. People enjoy the book for those recipes, but people tell me they also love the stories we included about the history of our family and business.

What is your role in the business today?

My role is to keep things in order and make sure we have a good product. I love to work with the employees. I have been blessed with good health, and I enjoy what I’m doing.

Most people in America start thinking about retiring long before 90.

I’m not interested in retiring. I’ve been here so long that this is home. If I retired, I would miss visiting with our customers and lifelong friends who come to eat. If you ever come to Frankenmuth,

ask for me and I'll come out of the kitchen to visit with you, too!

I'm someone who needs to be around people, so being here every day keeps me from getting bored. Plus, my job allows me to come and go whenever I like. I don't have to punch a clock. I'm kind of my own boss. I guess you can't beat that, can you?

No, you can't. I suppose if you left, you would have to work for someone else.

[Laughing] Yes, I suppose I would! I need to stay active. If I'm invited to a party or chamber function, I am able to go. If I worked for someone else, I would lose that flexibility.

I also have family here. My son works in the restaurant, so I see him every day. My granddaughter is our general manager. Working here is a nice retirement for me. Maybe some people wouldn't like it, but I enjoy it.

You like the people connections, and you like to be productive. What else motivates you to continue working?

I like to cook. It's satisfying to make a good product and get it on the market. I like the fact that people enjoy my recipes. That is probably what has motivated me all these years.

Did you always think you would work this long?

I don't know how to answer that. Retirement never crossed my mind. I love what I'm doing. If I retired, I would have to play cards and bingo. I would rather spend my "retirement" right here visiting with people and making recipes that thousands ask for.

What prompted your interest in this kind of work?

I was born on a farm. My father was a very good farmer and Mom, my sister, and I would help him. I didn't care much for farming, so when my sister got married, I was glad to go into the house and do the cooking and cleaning. That's where I got my start. I made meals for my family. After I married, I made meals for my husband. Five or six years later, we bought the Fischer's Hotel, and I

began cooking for the restaurant.

Today, the Bavarian Inn is obviously much larger than what we initially bought. Other people have played significant roles in growing our business. For example, my son has always dreamed up big things for us to do. He grew this to a 1200-seat restaurant. That was hard work, but it was exciting! We play hard and we work hard. Through it all, I still cook like I have from the beginning, and I love it.

I never dreamed our organization would be this big. But if you're motivated, you just work hard from year to year, and suddenly you find that you've grown into a larger business.

You keep quite a pace for 90. How do you stay physically and mentally fit?

I don't do much, in particular. I have been blessed with good health. I don't tire easily, so I can keep the pace. My mother was a strong and motivated person, and she instilled this work ethic in me.

Having your family involved probably helps with life balance, but what do you do to maintain a balanced life while working 5-6 days a week?

I come to work, and when I'm ready to go home, I go home. That's all I can say. I enjoy what I'm doing. I love people, and I love our employees. I do go on trips occasionally and visit other family members. When there's a party, I attend the party. Nothing special. I just enjoy life!

What are some key lessons you've learned?

You have to have a lot of patience. Having children conditioned me for



picking up every day after our employees. I've also taught a lot of kids who worked for me as their first job. That requires patience! I have to show them how to hold a knife, peel a potato, or clean equipment. You would be surprised how many girls come in that don't know how to make a sandwich. They just put the butter in the middle, and I have to say, "Don't do that or the first thing the customer will taste is butter."

I have to teach every day, but I enjoy it. It's more than just a job for me. I've been doing it for 60 years, and my employees feel like my own children. It's rewarding when they come back after many years to see their "first boss."

I'm sure there are some great stories from some of those former employees!

Yes, there are! One young man who worked as our fryer is now a chef in a 5-star restaurant. That's a big accomplishment, and he got his start here. He comes back to see me periodically. I like to think that if he had not started here, he may have never become a chef. He

liked the food business, so he pursued it. That's rewarding.

A gentleman who worked for us in the 1950s recently came back to say hello. He's now a professor at a college in Ohio. I feel good about those stories. Many say that working here funded their college educations.

How do you pass organizational leadership experience to the next

generation?

We have family meetings. I see the grandchildren frequently, and we talk about my experience. I can't really say anything more specific than that. This is just my lifestyle; the lessons sort of naturally pass on.

Do you see the family staying in this business after you have passed on?

Yes, I do. I think this business will

go on forever. At least, I hope it does. How many family members will be in the business? I don't know. Right now, we have three. Some have gone to food service jobs in the big cities, so they're used to the city life at this point. Maybe in 15-20 years they'll grow tired of the big city and come back, but I just don't know. If they do, we will welcome them and find a place where they can contribute.



Jack Kirksey

**Mayor
Livonia, Michigan**

WHEN WE interviewed Mayor Jack Kirksey, he was dealing with the aftermath of a 100-year flood that had backed up the city's storm drainage systems, resulting in extensive damage to about 1200 homes. Many residents were demanding compensation from the city, and the local news media was following the story closely. It was just the type of situation that requires many thankless hours from city leaders, but

Kirksey was not complaining. With more than 60 years of work experience, not much rattles him.

Kirksey began his professional career as a teacher in Detroit. Following time in the Air Force and a few years of teaching, he chose to go to the booming suburb of Livonia to pursue a principal position. Around this time, he and his wife, Patt, began volunteering as campaign managers for various candidates. "I've probably run 45 elections," Kirksey says, "and I've only lost one."

When a state representative who was running for state senator asked Kirksey to take his spot, Kirksey became a candidate for the first time. He started with 20% name recognition, and two weeks later, he had 80%. ("It's the best \$600 I've ever spent!" he says.) After eight years in the legislature, a GOP political maneuver designed to bump two Democrats from their seats had the unintended consequence of bumping the Republican Kirksey, as well. "That ended up being a good thing," he says.

Kirksey thought his political service was over, but he later ran for Livonia Mayor and won. Term-limited after eight years, he "retired" again, only to run for office once more when his replacement decided not to seek a second term. At the time of this interview, he was just finishing up his third (non-consecutive) term and had announced his intent to run one more time. [Editor's note: he has since been re-elected.]

At 83, one would not be faulted for questioning his capacity to lead a large city. Sitting down for a conversation with him, however, soon removes all doubt. Jack Kirksey is still on top of his

game, and his wit is as sharp as ever! Residents look forward to his speeches for their string of well-timed jokes, and more than once during this interview, we found ourselves laughing with him.

You're 83 years old. Why put yourself through the headaches of being mayor of a city of about 100,000 people?

This may sound Pollyannaish, but I really love this city. I want to do as much as I can to help it continue to thrive. After my first two four-year terms, I had no intention to come back. I left with an 80% favorability rating, and people had already thrown enough retirement parties for me since I had "retired" so many times! But then the next mayor decided he didn't want to stay, and people felt I was the best and most experienced option to replace him. I'm currently finishing that four-year term. Once again, my intent was to be done. However, the people I thought most able to lead this city were unable to do so for various reasons, so I reluctantly entered the race again.

In short, I continue to do this because I feel it serves the city well. Experience does make a difference. Of course, so does age. I don't fault people for being concerned that I'll be 87 by the end of this term. In observing others, I have seen a difference in performance between 83 and 87. If I ever see that I'm slowing down or not able to perform as needed, I will step aside.

To this point, I still feel I can perform at a high level. Last week, I had a 17-hour day when I started with a live interview at 6:15AM and got home after 11:00PM. I may be old, but I still remembered my name, address, and phone number

[laughing]. The Lord has blessed me.

As much as you love serving this city, you're still choosing to forgo other activities you would enjoy, aren't you?

I don't have a burning desire to play golf all day long. (Besides, I'm a treacherous golfer.) My wife and I have taken some cruises, but we're not compelled to travel. We enjoy visiting our children in Salt Lake City and Denver, but they have to go to work, so we might as well do the same.

As corny as it sounds, I don't feel like I'm coming to work when I walk into this office. We have a good time, laughing and tackling whatever needs done. It's not like I'm being held here against my will. I enjoy the place.

Would you still be engaged professionally if you were not the mayor?

Probably. I always have been. I loved being a principal, I enjoyed the legislature, and I learned a lot as a consultant. I've also had some stints in some other things, and I've enjoyed each one. Even if I had never changed careers, I think I would have continued to like any of them.

Please share one particular leadership lesson you've learned along the way.

While getting my teaching degree, I took a job as a lifeguard on Belle Isle. [Editor's note: Belle Isle is an island park in the Detroit River.] The head lifeguard at the time was a notoriously bad administrator, but he was a big guy, and nobody wanted Big John to look at them crossly. We would sit on the tower for four hours without a bathroom break. Some would be scheduled to start at 9:00 and break for lunch at 10:00. Nobody was on time for anything. As I watched my stretch of beach, I had a lot of time to think about how I would run things differently if I was in charge.

I eventually got that chance. Years later, I was working as a teacher and

had summers off, so they made me head lifeguard. I created a very efficient schedule. Everyone knew exactly where everyone else was at all times. Every two hours, you got beach patrol to break up the monotony. After four hours, you could break for lunch.

You know what? I had more complaints that summer than Big John had in ten years! For example, people who had never worried about punctuality complained when they were relieved five minutes late. That was one of my first leadership lessons: people will not always commend you for doing the right thing.



Photo courtesy of City of Livonia

Much of your career has been in public service. What prompted that interest?

Some of it was circumstantial. I never planned to hold public office; I was actually emphatic that it would never happen. I'm not looking for a public service comment on my tombstone. Things have just worked out that way.

I suppose I've always wanted to lead. I was born on the outskirts of Atlanta, and when I was four years old, I was playing in the backyard with four or five other kids. I remember saying "I'll be the leader!" for whatever game we

were playing. Another girl said, "You always want to be the leader! Why can't someone else be the leader?" For some reason, I've always remembered that.

What personal benefits have you seen from remaining engaged in your work?

I feel very fulfilled when I'm engaged and making a difference in some way. As a lifeguard, I saved several people from the Detroit River. I often wonder what those people ended up doing. As a state representative, I was able to use my position to rescue an abused child and get her to her grandparents. Six years later, her grandparents brought her to my office so I could see how well she was doing. That was very fulfilling.

I know how to retire; I just don't know how to *stay* retired. It's been good for my mental health to have more on the plate than what I have time to do. I'm just happier when I am engaged in work than when I am not.

How do you stay physically and mentally fit?

I like to work. When I'm not in my office, I do yard work and carpentry. I walk to work as often as I can (and home for lunch), which is one mile each way. Some days, I get in six miles.

When my kids were growing up, I used to work the daylight hours out of them—mixing concrete, digging holes, etc. Now, when I visit them, they have what they call "get even" time, which means big jobs for me to do while I'm there. *They* don't think my wife and I have aged. When we go hiking or skiing, they don't see why I can't keep up with them.

My wife has made sure I've eaten healthy. I grew up in the South, and we put a lot of sugar in our tea. When Patt and I were just getting accustomed to living together after marriage, I'd say, "Where's the sugar and cream?" She'd say, "Over there. If you want it, go get it." Being the lazy male, I figured out how to drink bitter coffee. I'd say, "Where's the salt?" and she'd reply, "If

you want it, go get it.” So I learned to eat without salt! [laughing] She just took charge from the get-go.

We’ve never smoked or abused alcohol, either. Our longevity could be in the genes, but a lot of it is the lifestyle.

I’m not trying to sound like Superman, but I have the energy, so I enjoy expending the energy. I don’t see work as a job or obligation.

Are your friends predominantly your age?

I am surrounded by a lot of younger people. Some of the people who run my campaigns were friends of my kids, and now they’re friends of mine. I enjoy being around young people, and I think

they see me as a peer.

Your love for your wife is evident. Talk some more about the role she has played in your career.

We have been married for 58 years. If she were not my soul mate, my life would have been entirely different. She has been totally understanding of the careers that we have pursued. She is just an unusually magnificent person, and she is so respected by the family. She has made all the difference in my life.

She will be 80 soon, and she’s still teaching parenting courses. People will run up to us, and I’ll think they’re coming to see the mayor, but they’ll say, “There’s Ms. Patt! Oh, Ms. Patt! You

saved our marriage!” She might have more constituents than I have!

If she had not been so understanding and forgiving over the years, it would not have been good. We just have a lot of fun! We enjoy what we’re doing, we enjoy one another, and we enjoy life.

What do you do to pass on your experience to the next generation?

For one thing, I’m talking to you!

In city government, I like to challenge the younger folks with questions to force them to think through potential consequences of a decision. I try to pass along what I can, but I’m not on any kind of crusade to do so.



George E. Roumell, Jr.
Arbitrator/Mediator
Detroit, Michigan

ALL IT TAKES is a phone call to sense George Roumell’s dedication to his work. He doesn’t like to mince words, and he doesn’t have time to waste. With his schedule, he can’t afford to.

Roumell has been a member of the

Bar since 1955 and began teaching law in 1956. More than 55 years later, he still makes the hour drive each Monday night to teach two classes at Michigan State University. He travels all over the country to give speeches and teach seminars. As if that were not enough, he still runs a large arbitration practice, which he has been doing for more than 45 years. His accomplishments and awards are numerous: he is a past president of the Detroit Bar Association and State Bar of Michigan, a recipient of the Hudson Award (the highest award given by the State Bar), and the Seymour Award for Excellence in Arbitration. He argued before the United States Supreme Court in the 1977 Detroit desegregation case, a subject on which he is still asked to speak.

Roumell graciously agreed to our interview, and we found that years have not diminished his passion for his work.

Arbitration, teaching, speaking all over the country... You run at an amazing pace! Why have you chosen not to retire?

It’s a tradition among the men in my family. My uncle, Judge Thomas Roumell of the Wayne County Circuit Court, continued working to 89 – one day before he died. My father worked until the day he died. It’s a tradition.

Is that tradition what motivates you?

That and the fact that I enjoy what I do. My hobby is my work. I enjoy going to different factories, police departments, public organizations, and private companies. I enjoy meeting people and helping them with their problems.

So the leisure activities typically associated with retirement don’t appeal to you.

Now wait a minute. I’ve been to China, France, Japan, Greece... I’ve traveled to all the continents except Australia. I enjoy the opera, the symphony, the theater. I go to Stratford, the Oregon Shakespeare Festival, and Broadway every year. I enjoy plenty of other things, and I always have.

How do you maintain the physical and mental conditioning necessary to keep up that pace?

I don’t worry about that, but I suppose there are some things that help. I have never drank or smoked. I eat a Mediterranean diet: olives, rice, lamb, fish, etc. And I eat oatmeal for breakfast.

Oatmeal isn’t Mediterranean!

No, but it keeps the doctors away!

As far as exercise goes, I drive a fast car on my way to teach each Monday night! [laughter]

You mentioned your family tradition of lifelong work, but was there a certain point when you decided that you would not retire?

I challenge your premise that retirement is expected! I don't see anything unusual about working late in life. I just enjoy what I do. I'm happy with what I do. I enjoy teaching young people in law. I enjoy dealing with the typical problems of labor arbitration. I enjoy teaching seminars across the country. I'm a teacher, a writer, and a decider. That's challenging and intellectually stimulating.

I admire your approach, but only a small percentage of people see that as normal.

I had not thought about that.

I have thought about it a lot, and I think society would benefit

tremendously if more people stayed engaged in work later in life.

I don't think about things like that, and my friends and I don't talk about things like that. We talk about our work and what we're trying to achieve. There's always stuff I want to get done that I haven't done yet.

Would anything cause you to stop doing what you are doing?

Nothing would stop me. There's nothing tremendous about what I'm doing, and I've got to get that out of your mind. Look, it's my job to be an arbitrator. I happen to enjoy it. I happen to help people. Sometimes I save lives, help companies, or help governments. I enjoy contributing to society in that way.

A lot of leaders share those attitudes and will appreciate hearing that, but

the general mindset in America is not oriented that way.

I disagree. You just haven't come across them. If I was a pro basketball player, I wouldn't be playing at 80, but I would be coaching. You make your contribution where and when you can.

I know you don't see it as anything extraordinary, but are there any other significant factors that have enabled you to continue working at this age?

I think a good marriage is very important. When there is peace at home, you can do an awful lot. I've been married for 55 years to the same woman.

Frankly, I'm having too much fun to consider doing anything else! I'm enjoying life.

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Succeeding the Founder

How to Lead a Successful Transition as the Successor

by Ben Anderson-Ray and John Kobasic

ON AUGUST 24, 2011, Steve Jobs resigned his role as Apple CEO and was replaced by Tim Cook. This followed a seven-month period in which Cook was already functioning as CEO while Jobs focused on fighting the health problems that ultimately took his life on October 5.

Many are watching to see how this unique leadership transition will work out for Apple, but it is not the first unique leadership transition they have faced. Jobs, of course, was the cofounder of Apple, but organizational infighting led to his ouster when John Sculley took over in the mid-1980s. Sculley oversaw the growth of the Macintosh and thus the company, but when that growth slowed and new internal issues arose, a series of CEOs failed to get the company back on track. In 1997, a more experienced Jobs returned and drove tremendous growth.

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The leadership history of Apple is a good reminder that a leadership transition—particularly one involving the founder—presents both risk and opportunity to any organization. If done poorly, it spawns uncertainty, conflict, and stress, stalling growth and exacerbating misalignment that may or may not have already been there. If done well, it brings new vision and strategic clarity to the organization. Indeed, success for an organization begins with the leader and the culture he or she creates and nurtures.

Much has been written about how to manage effective transition, but most of it focuses on the outgoing founder or CEO. Our work as advisors to midmarket companies has enabled us to closely observe numerous transitions, and we would like to look at this issue from the perspective of the *successor*.

(For the remainder of this article, we assume the outgoing CEO to be the founder, but the principles we share apply to all leadership transitions.)

CLARIFYING THE REASONS

Transitions occur for a wide range of reasons. They are often driven by the personal desire of the founder to retire or take on new ventures. Sometimes, the founder and/or the board may have recognized that the organization has grown beyond the leadership capacity of the founder. Of course, performance issues may also be a factor.

Whatever the reasons, the successor's first task is to clarify them. They directly impact the goals for the transition and the likelihood of success for the successor. They also drive the manner in which the transition is conducted.

DEFINING THE MANNER OF TRANSITION

Transitions occur in a wide variety of manners. At one end of the spectrum is the “hard” transition with no overlap of any kind between the two leaders. At the other end of the spectrum is the “soft” transition where the founder and successor work together for an indefinite period of time. Between these extremes is the transition period during which the founder and successor work together until a predetermined date when the founder exits for good and the successor assumes full leadership. When possible, this approach may enable the most effective transfer of knowledge from founder to successor, thereby maximizing the continued success of the organization.

Each of these manners of transition has its merits depending on the goals of the transition. Let's examine each type in further detail.

The Hard Transition

A hard transition has the advantage of no ambiguity about who is in charge. One day, the founder is in charge; the next day, the successor takes over and everyone answers to him or her. Thus, the hard transition is essentially no transition at all; it is more of a grace period in which the organization gives the successor time to get up to speed.

The hard transition is often the most effective approach when the change was necessitated for performance reasons. In most other cases, however, the hard transition is less effective because it minimizes any benefits that come from the founder's experience. Again, that is why it is so important to clarify the goals of the transition before trying to make it work.

The first key to success for the successor in this situation is to be a quick study. What is the financial standing of the organization? What are its strengths and weaknesses, opportunities and threats? Who are the strongest players, and who needs to be replaced? Why has the organization been successful (or not) to this point, and what stands in the way of it being more successful in the future?

I (Ben) recall a situation in which I had to answer these very questions. I was asked to turn around a group of divisions following the firing of the company's president. It was definitely a hard transition with no overlap whatsoever. Upon stepping into my new role, it was immediately obvious that the former president had surrounded himself with weak players who operated on the basis of “malicious obedience.” They knew that what their autocratic leader was asking them to do was wrong for the company, but they yielded to his direction anyway. This culture absolved them of any responsibility or accountability.

I quickly fired the head of marketing and the head of engineering, and within six months, I replaced every member of the leadership team except the CFO (the only strong player on the team and the only one who had been there prior to the former president's arrival). Our new team meshed quickly, and

within one year, we had built a culture of newly empowered employees, settled a union contract, restored profitability, and launched a product line that put the division on a growth path.

The second key to success in a hard transition (which naturally follows from the first) is to clarify the vision

and make sure everyone is on board. This begins with the senior leadership team. The successor simply cannot afford to have anyone pulling in a different direction. Any necessary changes should be made quickly and decisively.

The Soft Transition

A soft transition maximizes the upside that can be garnered from the knowledge and skills of the founder. Having built

The reasons for the transition directly impact the goals of the transition and the likelihood of success for the successor.

the business from the ground up and hired most of the current employees, he or she is, in a very visceral sense, the cultural authority in the organization. In addition, he or she is often recognized in the market as the authority on the products and/or services the company provides. Thus, the founder's continued involvement can be a critical component to the success of the transition. That said, the soft transition can be the most difficult for the successor to manage.

A soft transition poses a number of hurdles. First, the very presence of both the founder and the successor in the organization can foster significant ambiguity and misalignment of leadership. No matter who is taking the reins, the organization understandably continues to view the founder as the "spiritual leader." The successor must find a way to simultaneously honor the founder's contributions while setting a new direction that everyone is expected to follow. It is critical for him or her (with the unquestioned support of the founder) to clearly define each of their roles and communicate that to the organization. Both leaders must be deliberate about demonstrating who is in charge. Any misstep in this, no matter how unconsciously it is committed, can greatly complicate matters.

It can be tempting for founders and successors to try to co-lead. We strongly discourage this. When more than one person is accountable, no one is accountable. The successor will be leading the company for the long-term, so he or she is ultimately accountable for the outcome of the transition. Therefore, while the founder and/or board have a critical role to play, the successor must take charge of the transition process.

In one organization with which we are familiar, the founder hired a new CEO but wanted to remain involved on the new product side of the business. This sounded okay at first, but as the new CEO began clarifying strategy and decision making within the leadership team, the founder's presence became increasingly awkward. The CEO and founder had worked hard to clarify roles, but in practice, the organization was still inclined to listen first to the founder who very much wanted to stay at the center of decision making and frequently second-guessed the CEO's decisions. The successor felt he had no choice: he told the founder that one of them would have to go.

We cannot say it enough: driving goal and role clarity is absolutely essential to a successful transition. If the founder obstructs the new direction in any way, it may be time to force a hard transition—even if that means a new successor.

TACTICS FOR LEADING A SOFT TRANSITION

As we've already indicated, the soft transition can be very beneficial for the organization's future, but it must be managed carefully. Following are some tips for the successor to follow both before and during the proposed transition period (most of which are equally applicable to a hard transition).

- Get *everything* on the table with the founder. He or she might be reluctant to share a lot of proprietary

We strongly discourage co-leadership. When more than one person is accountable, no one is accountable.

information, but a clean transition demands it.

- Determine whether or not you align with the organization's core values (assuming the organization has articulated them). These are the company's DNA and will have a huge impact on the overall tone of the business once you assume control.
- Clarify what business you're in and what business you're *not* in. About what is the organization passionate? What makes it best in its field? What drives the economic engine? Your vision may not match the founder's, but this exercise will reveal much about the reasons for the company's performance thus far and contribute greatly to strategic clarity going forward.
- Identify the company's strengths and weaknesses and their impact on the transition as well as future performance. Look at both the "smart" (strategy, marketing, finance, and technology) and "healthy" (politics, morale, communication, turnover) sides of the business.
- Look outside the company for threats and opportunities and clarify your market position. Openly discuss with the founder what short-term and long-term changes might be needed.
- Review your human resources. Do you have the executives that *you* need to be successful? If not, you need to prepare the founder for changes. He may have friends or even family members in the organization.
- Ascertain how the transition might impact key vendors and customers.
- Analyze the costs and benefits of this new role for you—financially, professionally, and emotionally.
- Remember to think long-term. Your plans will take time to materialize.

Once the baton has passed, you have a host of issues to manage as the successor. First, the founder may struggle emotionally with the transition. Be sensitive to his or her feelings and exercise as much patience as possible insofar as it does not hurt the organization. Demonstrate and communicate genuine respect and appreciation for the founder's contributions. You may even benefit from creating an ongoing advisory role for the founder to seek counsel when needed.

In one situation, the founder of a transportation company (and a classic entrepreneur) chose as his successor a man who had worked with him for more than twenty years. The transition started out well. The business, which had already

been doing well, began to show definite signs of increased growth and profitability. Problems began to arise, however, when the founder began calling regular meetings to work through various issues, causing confusion among the people in the organization as to who was really in charge. The founder's intent was not malicious; he was simply finding it difficult to let go. It was especially hard for him to see the company growing without him. The new CEO sympathized with this struggle even as he confronted the founder with the fact that he *had* to let go.

Second, if you have identified any necessary personnel changes, address them quickly. You need a sharp eye for who is on board with your leadership and who is not. Similarly, connect with your key vendors and customers to quell any concerns they have about the transition.

Third, quickly conduct a strategy review with the executive team and begin a disciplined process of alignment and dynamic strategy execution. Set measurable goals that you can reasonably expect to meet or exceed and communicate that plan to the entire organization. Nothing solidifies a change in leadership as well as a clear strategy and some quick wins. "Generate short-term wins," writes John Kotter in *Leading Change*. "[They are] essential to you as the successor and for the organization as they adopt you as their leader."

In any leadership transition, the ultimate goal is to drive continued success for the organization. As successor, this is your leadership mandate. Establish your leadership, align the executive team and the entire organization around your strategic vision, and execute that strategy with discipline.



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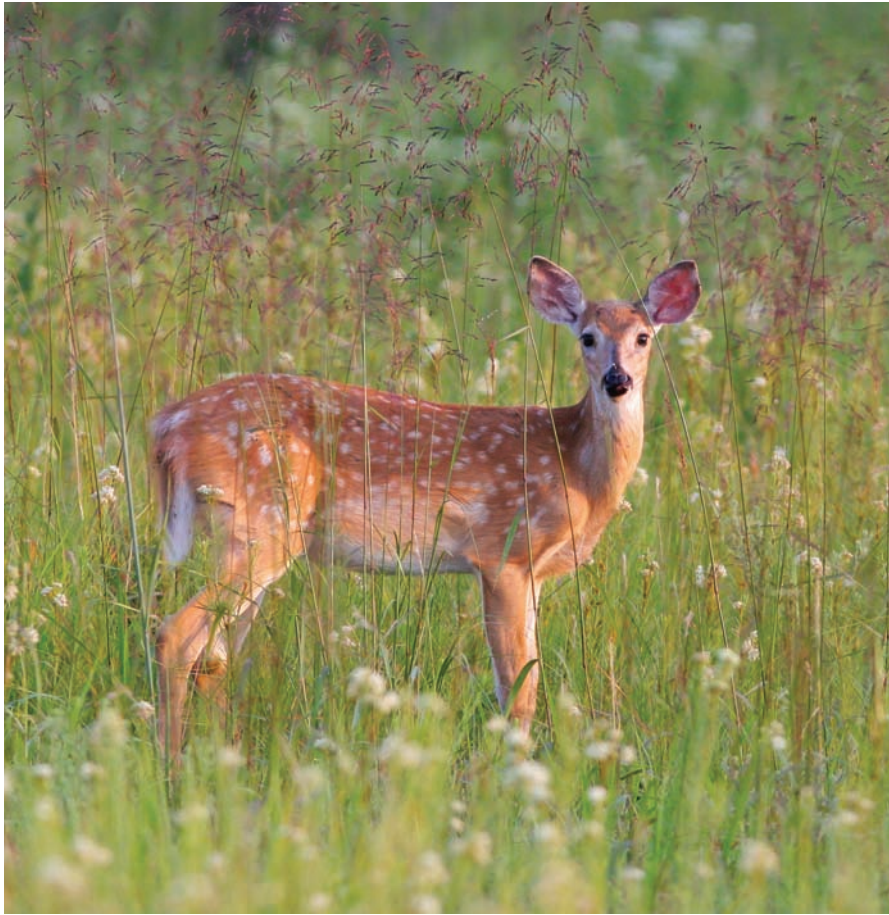


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ABOUT THE ARTIST:

Judd Patterson's interest in photography grew out of a love for the wide open spaces of his native Kansas. A graduate of Kansas State University, he now travels the world taking pictures to promote environmental education and conservation as well as for the sheer joy of being outside.

(SEE ARTIST PROFILE ON PAGE 3.)