

The Future of Work podcast is a weekly show where Jacob has in-depth conversations with senior level executives, business leaders, and bestselling authors around the world on the future of work and the future in general. Topics cover everything from AI and automation to the gig economy to big data to the future of learning and everything in between. Each episode explores a new topic and features a special guest.

You can listen to past episodes at www.TheFutureOrganization.com/future-work-podcast/. To learn more about Jacob and the work he is doing please visit www.TheFutureOrganization.com. You can also subscribe to Jacob's [YouTube](#) channel, follow him on [Twitter](#), or visit him on [Facebook](#).

Jacob:

Welcome to the Future of Work with Jacob Morgan. I am your host, Jacob Morgan, and welcome to 2021. 2020 was a crazy year, being stuck at home for most of the year with my wife, two dogs, two kids, and dealing with fires where you can't even breathe the air outside has been pretty hectic and stressful. But the best thing that came out of 2020 was that Blake, my wife, and I had a baby boy, Noah. So it wasn't all terrible.

I'm also grateful that nobody in my family got sick, although a few members of my team and their families did get COVID. But thankfully everyone is doing okay now. And in 2020 Blake and I really focused on creating digital products like courses and webinars. And look as much as I miss traveling around the world and meeting new people and seeing all of your wonderful faces. There's still something to be said for being able to give a presentation in my sweatpants. But I suspect I'll be back on the road in some capacity at some point this year.

We've also been really growing our Be Your Own Boss podcast, which is all about entrepreneurship, which you can check out if you're interested at BYOBpodcast.com. That's for all of you out there who are either entrepreneurs or who are thinking of becoming entrepreneurs.

For the holidays, we drove down to LA in a minivan that we rented. And I have to admit, I did fight tooth and nail against getting a minivan. But as usual, my wife won that battle. Although it was nice to be with family for a few days. We are now back at home in the Bay Area. And I don't know about you, but I'm very, very excited for this new year. And then you start to focus on growth, positivity, and creating some awesome content and products for all of you.

In today's episode of the podcast, I wanted to actually take a look back and share some of the best leadership lessons and stories from podcast guests. In 2020, I had the opportunity to speak with some truly amazing leaders like the co-founder of the Home Depot and CEOs from companies like Netflix, Honeywell, Smile Brands, Best Buy and many others. And I was so inspired by these really amazing leaders and conversations. And I learned so much from them that I wanted to take some of my favorite stories, my favorite leadership lessons and put them into a compilation. And I hope that you are going to learn just as much from these conversations

as I did. And that you can apply some of these lessons learned inside of your organization and inside of your life as well.

So you are going to actually hear 15 leadership lessons. And this is from 15 of some of my favorite conversations from 2020. And I will introduce each guest and what you will learn from them and then you will actually hear from their own words you'll hear soundbite directly from them. And you will hear 15 of these leadership lessons.

So let's start with Arthur Blank. He is the co-founder of the Home Depot, which is a home improvement retail chain, which today has a market cap of over \$300 billion and they have over 400,000 employees and Arthur has been named one of the world's 100 greatest living business minds by Forbes in 2017. Arthur owns the Atlanta Falcons NFL team and the Atlanta United Soccer Team. His family businesses also include the nationwide PGA Tour Superstore, three ranches in Montana, and Mercedes Benz stadium which hosted the 2019 Super Bowl. Under his leadership, the Home Depot was voted America's most socially responsible company in 2001. And in this clip, you will learn about the importance of leading by example, and that no matter how senior you become inside of your company, you're never better than any other human being who works there. It's a great lesson for work and for life.

Arthur:

Well, I'll give you one story, which I talk about a little bit in the book goes back to the days of HDR if you're talking about current ones as well, but one HD, we, for our listeners who may not know what a compactor is, is what you used to take, you know, you get all this car gated material and inventory into a retail store, take the inventory out, you put it on the shelves or display it or whatever it may be and have all this corrugated material. So there's a lot of air and for whatever reason we're going to start up a company and you know, we're doing things on the fly. And you know, we didn't get our compactors until, like two weeks after we started receiving merchandise. And I was working in one of our stores and I had my sleeves rolled up like everybody else. And when our compactor came in our receiving areas in our store had gotten so congested with all this car gated material that we literally couldn't receive any more merchandise.

So I spent, you know 24 hours in the store literally running the compactor and compacted, almost material. And, you know, one of the guys went up to the store manager and said, You know, there's this nut in the back. He's been here for 24 hours, hasn't left, he's compacting all this stuff so we can get more merchandise intact up on the shelves. I mean, I don't know who he is, but you ought to consider him for a promotion sometime. The manager said by the way, he's one of our founders. So you know, that's an example of leading by example.

And I'll give another one that is kind of funny in our stadium, Steve Cannon who's our CEO of all of our for profit businesses other than ranches, and Steve within the stadium and he has his program, you walk in my shoes, which basically means you do the work of our frontline associates. So he was running at a concession stand at the concession stand the way the french fries were being packaged, produced and sent down the delivery mechanism to the

person who was giving it to the customer about a third of the fries were falling out because the packaging wasn't done correctly. So Steve, obviously noticed that and he went back you know, you know we take great pride in our food and beverage because we do tremendous volume as we were food and beverage pricing is, is that what we call street pricing is half of what everybody else's is in America. So we do an incredible amount of volume in our stadiums as a result of that but we had to change the way the package was in, you know, then all the fries that were being cooked and everything actually got delivered to the customer instead of half of them spilt in the conveying process.

So, I mean, every business that I've been in Home Depot's putting on an orange apron and walk into stores talking to the customers talking to the associates when I go to a PGA Tour superstore. Walk around you know, talk to customers. How are you being fitted, is everything okay? You need anything you want anything And we don't you know, nobody's on commission. We're here to fit you with the best product that we can. And if you can't play like you know, Tiger Woods, we'll make sure you look like him. And we'll have all the power to make sure that's the case. So whoever your favorite golfer is male or female. So it's really you know, you lead by example by understanding.

I'll give you one more quick one that happened last summer at our guest ranch that we opened. I was sitting in the bar at night and having a good drink and I heard our guests were packed in their place and the place and I heard a couple of guests you know that the restroom around the corner is plugged up and it's not working. So I didn't I didn't call anybody I went in there and I you know, I flushed it and fix the the commode and then I went down to just check on one of the other commodes was one other one that was also stuck, you know, stuck up and I fixed that one. I didn't tell anyone, I just went back and sat down.

Well the next day you know the associates were saying, you know, the owner was fixing commodes last night. And you know, to me it wasn't a big deal. I just you know, I didn't tell our guests because it's not important but you know it's important for your associates to feel there was no job beneath me. You know no job beneath that leader wherever it may be.

Jacob:

Shellye Archambeau is the former CEO of MetricStream, a Silicon Valley based governance risk and compliance software company and the author of a new book called Unapologetically Ambitious: Take Risks, Break Barriers and Create Success on Your Own Terms. She's also on the board of Verizon and Nordstrom.

Shellye shares an important lesson which is all about creating your own luck, meaning taking more control over your personal and professional life in making things happen. Instead of leaving them up to chance, here's Shellye.

Jacob:

So create your own luck. I definitely want to go over because I think it's a very important concept for people to just understand that they have more accountability and control than they realize.

So what does creating your own luck actually mean? And how could that apply, you think for a lot of people today who want to be in leadership roles.

Shellye:

So creating your own luck to me, is positioning yourself so that when opportunity shows up, around, happens you actually have the ability to take advantage of it. You know, so it's having Yes, the right skills, yes the right experience, but also I'll tell you it's having the right attitude. Attitude is a big piece of it as well. So that you're open right to the opportunity when it comes. And I've always believed that planning can also improve your odds to be lucky for luck to happen. You know, it's interesting when, you know, an example would be when I went to Wharton, alright, so I decided that all right, I want to be in business. So I need to go to Wharton, and I want to go to Wharton undergrad, which was very hard to get into. But I thought I could save myself from having to go to grad school, right? If I went to Wharton undergrad, well, you could say I was lucky that I got in. Except I even though even before I knew I wanted what I wanted to do, I was getting good grades, because I knew I needed options. Right? So yes, I was lucky. But frankly, I actually helped myself being lucky by making sure that I got good grades, was very involved in school in the organizations, right, all those different things. You know, everything that's, that happens, when I set a plan, I assume it's going to happen and then do things to get ready for it. So when it does happen, I'm lucky that I can take advantage of it.

Jacob:

I think was the CEO of Honeywell, who I was interviewing on this podcast, and he was telling me that there's basically no substitute for hard work. Or maybe it was that Home Depot, somebody was sharing a story of how, you know, they went through several jobs where they were not happy. And you know, they had leaders who didn't treat them well. But they consistently focused on their performance. And they consistently did really well. Because it's very easy if you're in an environment where you don't think people support you to slack off, and then you never get promoted. He was telling me the story of, even though the environment wasn't great, he consistently worked hard. And then an opportunity opened up. And they said, well, who's going to be a good fit for this opportunity. And they said, Oh, so and so's working really hard. They're really great at this, that person should be promoted. So very much reminds me of that idea of, you know, kind of waiting for the right moment. It's like what you see in all those movies, right, like, wait for the right moment, and then we strike and it's just planning that whole time because you will get that opportunity.

Shellye:

Yeah, it really is. I mean, an example was when I got to IBM, and I'm thinking everybody wants to be CEO, right? How am I going to differentiate myself? So I looked at what IBM did poorly, right? What was IBM not good at? And frankly, it was marketing. Thinking of a chief marketing officer, they called sales reps, marketing reps, right? I mean, they didn't know what marketing was. And so I thought, you know what, I'm gonna major in marketing. And every staff opportunity, every project was marketing oriented. I did. Well, Lou Gerstner comes to IBM, and says there's no marketing. The first job he hires a chief marketing officer, Abby Konstam, she

looks around to say, Who are the people that are marketing? My first executive job was a marketing job.

Jacob:

Marc Randolph, he is the co founder and founding CEO of Netflix, which is a company that we have all been using quite a bit during the pandemic, I'm sure. He also served on the board of Netflix up until 2003. And Netflix wasn't his only startup, he's founded or co-founded six other successful startups, and he's the author of the best selling book That Will Never Work: The Birth of Netflix and the Amazing Life of an Idea. We hear a lot about culture in the business world. But in this clip, you're going to hear how Marc defines and thinks about what culture is, and what it isn't, how it actually manifests inside of an organization, and the impact that it has on those who work there.

Marc:

Culture is not what you say. Culture is not what you put in a culture deck. Culture is not what you carve in your headstone. Culture is not something you sit around a table and brainstorm things like what should our culture be? Culture is how you act. It's how you are, its the things you do. And even more importantly, culture springs from how the founders and the early employees act with each other, with their employees, with their customers.

And so, huge amounts of the Netflix cultures arise organically, from the way that Reed and I behaved the way that I treat people the way I worked with people before. When we did Netflix, and I glossed over I said, you know, we raised the money, we got to office, we had a dozen people, I didn't put ads for hiring people. This was more like that scene from The Blues Brothers movie where I'm driving around getting the band back together. So I'm going to these people who I've worked with before, who I know well enough to know how they work. And you're finding these people who I know can work autonomously, who I know enjoy that, who I know, enjoy the fact that they come to work, not knowing what they're going to face, but will rise to the challenge of whatever happens.

So I'm laying that out because you have to understand that what was there was there, that culture was just organically part of who we were. But you make a really good point is that those attributes I was just describing about people having a tremendous amounts of responsibility for the things but wanting the autonomy, to work by themselves, to really love having their job be different. That's an easy culture to maintain when you have a dozen people. But what happens is, as companies get larger, it's very easy to lose that.

At the beginning, and pardon me if I digress a little bit, but this is all about how you work with people. At the beginning, it's really easy to tell one of these chosen few and go, Christina, you see that mountain two miles away, I'll meet you there. And you know that here's things you need to get accomplished. She goes, got it. And then I don't even think about it again. Because I know that two weeks from now, I will find Christina on top of the mountain, maybe bruised and bloodied. But she'll be there on time with everything she's responsible for, that she'll have solved every problem that came her way on her own without input from me. That's a great way of working.

But what happens is when you get bigger, something happens where someone shows up late, or they show up, you know, don't have everything done. And a lot of managers would say, Oh, this isn't good. Okay, we can't have that happen. Again, everybody, I want status reports. I need to know if there's gonna be a problem in advance. So everyone's status reports. And everyone goes, Oh, status reports. And then someone else shows up and they're there on time with it all done, but they spent too much. And many managers will go like, Oh, I can't let that happen. Okay, I need everyone who spends more than I need to pre approve anything over \$100 to make sure you don't make a spending mistake. And then everyone goes, oh, god expense reports.

And little by little, what you're doing is you're building a company to protect yourself from people with bad judgment. But what you're also doing is driving the people who have good judgment crazy. And so we kind of decided, what would happen if we built a company that was for people with good judgment. People who loved having that freedom, to make their own decisions to be close to the action to decide for themselves, what the appropriate thing to do was, but had the responsibility of knowing that we counted on them to get those things done.

And I will confess, we almost lost it. Because as we got bigger, as hiring became, we got to a point where I didn't know everybody anymore. They didn't all have contact with myself or with Reed, you began to lose some of that, inadvertently. And then we kind of had some problems, which I'm sure we could talk about a little bit that required us to have a layoff. And we needed to lay off nearly 40% of our company. And there was that classic managerial problem of saying we're going to have to do everything we did before with 40%, less people, this is going to be really hard.

But instead now, as we moved into that period, it was the opposite. It was fun. It was exciting. It felt like we were a start up again. Because there was no time for the command and control, we were back to see you on the mountain in two weeks. And we had gotten the staff back down to the place where the only people there were the people with good judgment that we could trust that wanted to work that way. And that I think is the point where we said we have to be actively trying to maintain this culture.

We call each other on it, when we're not doing this, and then began that longer process led by Patty McCord, who was our head of human resources or at the time to say, how do you scale this beyond 200? How do you scale it to 2000? How do you scale it to 7000 where they are now? And that I think is part of the ongoing Netflix culture experiment, which is how do you create this freedom, this culture of freedom and responsibility, this culture of radical honesty, but not just in a small company, but in fact, in a very, very large one.

Jacob:

Jason Fried is the co-founder and CEO of Basecamp, and best selling author of rework, it doesn't have to be crazy at work. Got to redo that. Jason Fried is the co-founder and CEO of

Basecamp, and best selling author of rework, and it doesn't have to be crazy at work. With the blurring of work in life, it can be quite challenging to make sure that work just doesn't take everything over. And as you will hear in the following clip, Jason believes that 40 hours is more than enough to get everything done. In fact, this is the limit for how many hours his employees can actually work. This keeps his team engaged, happy, productive, and wanting to come back to work.

Jason:

40 hours is enough, because that's our limit. And what we do is, if we can't get things done in 40 hours, we don't do them, or we wait till the next day, or the next week, or whatever it is. And the idea is that what's flexible is scope, meaning our ambition, the work we take on, that's all flexible. If you just keep piling more hours into something, well, you might as well just go to 24 and never sleep. I mean, it doesn't work. You've gotta draw the line somewhere. We draw the line at eight, and then we just say, "You know, if we can't get to it today, we'll get to it tomorrow, if we can't get to it tomorrow, maybe we just decide not to do it, or we'll do it next week, or the month after, or six weeks from now, or whatever it might be." We don't have to take on everything we wanna do, and try and get it done immediately. So, it's this sense of pace, of sustainable pace, I should say. And we've been in business for 20 years, we wanna be in business for 20 more.

You can't work 80-hour days... I'm sorry, 80-hour weeks if you wanna be in business for a long time. Sometimes you're gonna burn out, or you're gonna burn people out, and it's gonna be very difficult. Okay, maybe you can do it, but it's not gonna be pleasurable, it's not gonna be enjoyable. You're not gonna keep a good team together with you for a long period of time. And you're gonna lose a lot of great people along the way

And I don't wanna lose great people. It's hard enough to find great people. So I wanna keep them happy with the reasonable work hours, challenging work, great people, great environments, and those kinds of things. And so, getting everything done is not the idea. That's not the idea for us. It's getting what we can get done in 80-hour... I'm sorry, in eight-hour days and 40-hour weeks over the course of many years. That's what we're aiming for.

And I know that's not what a lot of companies do, but I really don't care what they do. Because if you're supporting or celebrating "work ethic," and work ethic to you means just spend as many hours on stuff as you can, that's not really a good definition of work ethic to me. Work ethic is, do I wanna... Am I... Do people wanna work with me? Do I work well with others? Do I give good feedback? Do I take good feedback? I'm I doing what I'm supposed to be doing when I'm supposed to be doing it? If I say I'm gonna do something, do I do it?

It's those kinds of things. Not how many hours you put in. How many hours you put in is simply how many hours you put in. It has nothing to do at all, zero, with how much you get done, or the quality of your work. So I'm not interested in measuring hours beyond a reasonable work day and then equating extra hours to extra work. You can spend extra hours on bad work. You can spend extra hours on unnecessary work. You can spend extra hours doing things that don't

matter. You can spend hours on... Extra hours on busy work. I mean, how is that something to reward?

I'd like people to put a good day's work in, and go home and do their own thing, get a great night's sleep, and they can come back rested and refreshed the next day. That's what's celebrated here, and what's rewarded here. So yeah, it's a slightly different take, but not really. I mean it's, this is how most European countries work. This is how a lot of wonderful economies work around the world.

So this isn't that unusual, actually, it's just kind of unusual in the United States, with our work hustle culture that's just I think really damaging and really destroying people over the long term. And I know that, hey, sometimes when you're in your early 20s you wanna put all the hours in, and you want to bust your ass and the whole thing. I get it. But the thing is that it's not sustainable. And when you have companies that encourage that kind of behavior when those companies themselves know it's not sustainable, that's almost fraudulent, and I just don't wanna be that kind of company.

Jacob:

David Cote is the former chairman and CEO of Honeywell, and author of the best selling book, *Winning Now Winning Later: How Companies Can Succeed In The Short Term While Investing For The Long Term*. During his time at Honeywell, David fixed a toxic work culture and grew the company's market capitalization from around \$20 billion to \$120 billion, delivering returns of 800%. When David was younger, he had no sense of purpose or direction. He was a college dropout and a self described loser. But he turned it all around and became the CEO of one of the most successful companies in the world. What was his formula for success? Here's David to explain.

Jacob:

I know that there are a lot of people who are listening and watching who are, you know, similar situation, they're frustrated in their careers. Maybe they feel stuck. They feel like there's not a very clear progression to go forward. What is it that allowed you to kind of see that there is a path forward? I mean, do you have any advice for people who may be worried, in that similar position that you were in. I mean, what would you tell them?

David:

Yeah, I guess I would bucket it into a couple of different barriers. The first one is, you have to have performance. And your performance can't just be okay. It's got to be like top 10%. So you have to look at it say, okay, am I performing that way because I always used to say, where someone went to school, all that kind of stuff. That just made a difference with their first job. After that they had to perform. And, and not just, you know, make your commitments and be like everybody else, but you have to be a standout in your numbers and your performance.

The second one is you need visibility. Somebody needs to see it, somebody who can do something about your career. Now you have to be careful, though. You don't want to wear your

ambition on your sleeve or as the old saying goes, constantly be tooting your own horn talking about how great you are. But if you're in a position where nobody can see what it is you're doing, then that's going to hurt your advancement.

Now when it comes to a more personal side of it, two things I would point to there, and kind of a take off on what we just talked about, but some people think they're performing. And their boss doesn't quite agree or thinks what they're doing is average compared to everybody else. It's very easy for people to get sucked into the idea that as far as they're concerned, they're doing a great job. If their boss doesn't think they're doing a great job, then it's probably not going to get them very far. So people really need to reexamine, is it that I have a truly bad boss, which does happen not as often as people think but it does happen or is it me?

Then the second piece of it, and a bit tied into this is you have to be self aware. And you have to be a learner. And when I say self aware, this is something that whether you're dealing with a particular situation, and what's the best way to handle it? Or what are the things that about you that you need to be aware of that are issues for you both end up being important because if you say, Okay, I have a certain management style, this is what I use everywhere and everybody has to adapt to me, you're probably not going to be as successful. As if you can figure out okay, how do I motivate each of the people that works for me in a way that works for them? Then when it comes to understanding yourself, this is one that takes some introspection. It's painful, and it can take time. And I can say that it was when I was about 40 years old before some of those things finally dawned on me.

And I'll give you the big one was. I've been told since my first appraisal that I could be defensive. To which I would say No, I'm not. Not recognizing the irony. Yeah. That and then when I realized the irony of it, I used to take more words to explain how my boss was incorrect. But I was about 40 again, then I was in this meeting with a bunch of peers. And one guy said something, I responded to him and he said, geez, Dave, don't be so defensive. And I thought, Okay, this is a chance to finally allay this misperception, and I turned to another friend of mine said, So, I mean, do you consider me defensive? And he said, Nah. Dave, you know, I wouldn't say you're defensive. But, you know, I would say that if we say something negative about your organization, and we're not 100% correct. You will rip our lips off and I thought wow, okay, well, this is something I got to be aware of.

So from that point on, and I can't say I had no relapses, but I became a lot more aware of it and said, if I'm going to make good decisions, I need to make sure people are a lot more comfortable with always telling me things, whether I like it or not, whether you're right or not. I have to learn to make sure that I have the right people around me who tell me and I have to make sure that I control my own emotions so that I don't react defensively. Because I think everybody's got them. You all got issues, you have to figure out what they are. And I always say it's a four block, there's like good advice, bad advice. You take it, you don't take it. because not everything people tells you tells you is going to be correct. They may just have an axe to grind. But you got to maximize the good advice you take and the bad advice you reject.

Jacob:

Kate Johnson is the president of Microsoft US a \$45 billion division, including all of Microsoft solutions, services and support revenues across public and private sectors in the United States. Kate is responsible for a team of 10,000 people, and she is currently very involved in Microsoft's culture journey led by CEO Satya Nadella. Kate is a huge believer and practitioner of leading with courage and empathy. But what does that mean and how does it come to life? Here is what Kate had to say.

Kate:

For me, courage is, you know, the willingness to take the leap to take the risk, and own all the consequences. And the reason why it's so important, is because there's just so much going on that the world is changing so much, that if we just look for places where we don't need courage, and we can just be comfortable, then we're really not going to rise up to the challenge.

I certainly as a change leader, wouldn't be rising to the challenge of what my job requires for success. And one of the things that, you know, we've been learning is this the connection between courage and vulnerability, so everybody thinks of, you're courageous, that you have no weakness. You are, you are strong, they picture warriors, you know, with lots of armor and you know, heading off.

That's not what courageous leadership is courageous leadership is, you know, the willingness to, to activate the troops and own the outcome, but also to do so bringing all of your strengths and weaknesses to the table with total transparency and clarity, and kind of owning work with that and figuring out how to assemble, you know, the team to bolster wherever there are weaknesses. And that's a different kind of leadership that I think is essential today.

It's no secret that I've asked Brene Brown to help my division build courageous leaders, and we started with the top 140 leaders inside of Microsoft US. And we're rolling it out to the rest of the organization in the second half of our fiscal year. The reason why we I thought we needed courageous leadership was really, really simple. Last year, when I was bringing together new leaders, we had together decided that we were going to go through these learning journeys together. I think one of the ways to build really tight teams is to learn stuff together, because if you're learning, then you're vulnerable. If you learn it together, you kind of build connective tissue.

And we went to Montgomery, Alabama, and we met with Bryan Stevenson, the famed Harvard attorney who just dedicated his life to serving those less fortunate and, and has freed hundreds of people from death row who were wrongfully convicted. He's argued at the Supreme Court five times won four of them, I believe. And we spent a couple hours with him, we all read his book. And then we studied race in the United States.

And it was shocking and horrifying that A. most of us hadn't learned it in school, this notion of the history of black and African Americans in the United States and this profound racism that they've experienced, and we just didn't have the knowledge that we should, that's the first thing.

Second thing is all of us felt really compelled to learn more and to do something about it, because the truth is, if it's prevalent if racism is prevalent in the United States, and it's probably true of our company, because with 150,000 employees, we're like, a microcosm of that population. Right?

And for sure, that is the case. So, you know, what can we do to continue to learn so I asked Bryan to come and speak at our sales kickoff. So much to my surprise and glee he received two standing ovations in front of our entire Microsoft US organization with all of our partners, and he talked about really raw topics, really hard topics, all rooted in the reality of African and blacks in the United States. And, you know, what happened was he opened up part of our brain to this. And inside the company, we started talking about race more.

But what I noticed is we were, we were not really knowing what to do with those conversations. Okay? So I'm, you know, talking about it, I'm learning about it, I'm starting to learn what empathy for race means. But I don't know how to take it to the next level. We decided to go to watch his movie, Just Mercy together as an organization. So we took 7000 of us to the movies on January 6 of 2020. And, you know, 2pm, local time across 42 theaters across the country, we watched the movie together, it was an incredibly moving experience. And an important moment, but again, it was a big stage moment to say, this is important for us to learn together.

But the same thing happened, we created all these forms of communication, and we didn't know what to do. And then we found our form working from home during the pandemic. And all of the atrocities of George Floyd and Ahmad Aubrey and Briana Taylor and all the other racism, you know, rooted in violence, tragedies happened. I felt like we really needed to do something.

So I called Brene Brown. And I said, Can you help me? I've got to figure out, you know, how to bring courageous leadership to Microsoft US. And she said, well, it's for sale, read my book, Dare to Leader. And, you know, I said we already have, and that's why we want you. And so she's been helping us figure out how to navigate through the difficult conversations, how to rumble through the tough topics, how to build an inclusive environment, where you're listening to all perspectives, and then how to build trust from that in a way that's lasting and durable. And I think most importantly, how to actually build resilience in an organization as a team, as you go through these really sort of pulling and trying times. And that's why I think it's important for courageous leadership. That's why we needed it inside of Microsoft US and why I made the investment to do it.

Jacob:

Tiger Tyagarajan is the CEO of Genpact, a global professional services firm with 100,000 employees that drives digital led innovation in digitally enabled intelligent operations for organizations around the world. Prior to Genpact. Tiger worked for several well known companies such as Unilever, Citibank, and GE. He was actually one of the industry leaders who pioneered a new global business model and transformed a division of GE into Genpact back in 2005. Tiger has some great perspectives and insights on how COVID has changed leadership forever, and what this change means for you.

Tiger:

At the leadership team level, we've always been a very you know, high percentage virtual leadership team. So if you take the top hundred leaders in the company, they are distributed across many cities in the world, there is no single office, they work out of many of them actually don't work from offices have never worked from offices. We get together in an office once in a while, but actually they are distributed across. They spend a lot of time with clients. That's the nature of our business. So for us to do what we are doing today didn't require that much change to work with each other. The one change of course, is we aren't able to get together even that once in a while, right? So every quarter we would get together as a team. Every, you know, every month, a few of us will get together depending on where close tristate area people would get together, the European team would get together even that is not possible now. I think the change is much bigger as you cascade down to 100,000 people. And as leaders, dealing with 100,000 people, there's a lot of change. Clearly, my ability to go to an operating center with 10,000 people and spend time with that team for three days and immerse myself in that team. And the big town hall is gone. So what we've done three or four things we've dramatically increased the frequency of our virtual communication. And when I say dramatically increased from once a quarter, in some cases global town hall once a quarter, once a week. Our leaders are sending out video blogs.

Once a month, we are doing global town halls. From global town halls having a participation rate physically of 5000- 7000 people We now have 20,000 people at least joining in on a combined videoconference. During a local town hall, the number of such interactions as you cascade down, the number of times I'm getting together with my team gone up five times because all of it is virtual.

The so that's one big change. That's the second is, I think you've got to really empathize much more. As a leader you need to empathize in any case. But in these times, empathy becomes incredibly important. How do you empathize when you actually physically can't see the person other than through a video or you pick up body language? How do you pick up? By the way, there are a couple of benefits that that the current situation has thrown up. It democratizes meetings dramatically when you have 100 people on video conference. Everyone's equal when you have 100 people in a meeting, but 30 of them are in one place, and the other 70 are distributed in 20. Places. The 31 one place actually take over the conversation. And the other 70 feel a little left out. That cannot happen. It's much more difficult. And therefore, I've had reactions from people that I feel more included now than I used to.

If you think about a physical meeting, When people get into a room for a meeting, the first five minutes they're greeting each other. they are. They're figuring out Okay, do Where did you get caught in the rain? You know what happened last evening? In all of those before people finally sit down and say, Okay, let's start the meeting. You know, videoconference if you're not careful, you flip the switch, everyone is in. And as a leader, you can jump in and start the meeting saying, what are the numbers? Unless you pause and say, No, let's actually have some airtime on just shooting the breeze. Talking about other things. understanding what's the mood of

people? And you realize, oh, this person is going to be stressed for this reason. So it otherwise we would watch body language. I'd say John, what's happening? I'm looking. You can see that now.

Jacob:

Carrie Birkhofer is president and CEO of Bay Federal Credit Union, a non profit financial cooperative with 225 employees. She's been the CEO there for 25 years and under her leadership, the credit union has grown from \$70 million to \$1.4 billion in assets. One of the things I love most about my conversation with Carrie is how she really makes her employees feel like she is there to serve them and not the other way around. Now more than ever, we need leaders who believe and practice this inside of their organizations.

Carrie:

So it starts with the training and the Human Resources team. So there's like four or five employees besides me. And we have them either to come on zoom, or physically, we have a training room where they could sit apart and some of my team are in there. And they would, and my team goes around and shares who they are, what their path has been at the credit union kind of showing that there's career opportunities, and also something interesting that they want to share either that something that maybe they did that weekend or something that's going on their life. And it's always fun to hear what those are.

And then, and then we have the employees, the new ones give their same information, who they are, where they've come from, something interesting that they want to share. And then I go last because I don't want to influence the process. They don't really know who I am, I don't think unless they've studied the credit union. So I then introduce myself. And I also share you know, my journey where I've been something interesting about me but then I also share kind of our manage our values and our management philosophy and our commitment to culture, and how important that is to us.

And I share with them also that it's really important that they understand that their role is to be a team player, that we've chosen them because we see something in them that shows that they have a good connection with people because that's important in our business. And that it's not easy always to get hired at a photo because we screen for that and so I I share appreciation to them, you know, and that it's great that they're here like try and make them feel really excited about it and also that as a CEO that I do want to hear what they have to say that they are valued as a person That we listen, and we care about them that they have a voice that it's I think it's important for a person to feel seen and heard.

And so for a CEO to come in and say that to them on their first day when it might be their first job at 18 years old as a teller, I see them light up, you know, and I mentioned the culture and how it's different like in some retail organizations, you might walk in and you can tell employees are not engaged and immediately might turn around and walk out, and you just don't get the vibe of being welcomed. And I said, we, we want you to feel welcomed, and we want you to welcome people when they come in. So I'm demonstrating that to them without kind of actually saying that, but that's the importance of it is that we want to walk our talk.

And then, and then I follow up with them because I asked them if they have any questions. So they're, they're a little intimidated, I could tell on the first day and I recognized that I say, you know, don't worry about it, gather your questions, if you have any, let me know.

And then what my executive team and I do, I've got two executive vice presidents, we take and I tell them that you'll have a chance to ask us questions when you've been here for a little while, about a month or two later, we take them to lunch. And we used to do it physically. Now we do it over zoom, and we order them doordash. So they can order their lunch. And we check in with them. And we asked them, How is it going? You know, you've heard me speak on that first morning when we came in. And you've had a chance to be here for a couple of months. How are you doing? What questions do you have now and then have the conversations much different now they feel excited to be part of the team they're acclimated and they have a lot of questions that we have a great conversation with that.

Jacob:

Steve Bilt is the CEO of Smile Brands, a company with 5000 employees that provides business support services to Over 425 dental offices. Smile Brands has been on Glassdoor's Best Places to Work list three times and Steve is one of the top CEOs on Glassdoor. Steve and his company have won more awards than probably any other company I've interviewed. And it all started with creating a mission that employees could get behind is Steve will share in just a moment. When you move from a people centric vision to a profit centric vision. You're asking for a bit of trouble.

Steve:

I spent my early years running the business connecting with our doctors and our team to understanding what made them tick and what they needed from the business. And we would distill that down into, you know, I love three word phrases. So we distill that down into various three word phrases. One of those was smiles for everyone. And you know I wear that on my wrist we talked about all the time, we talked about this concept of a virtuous circle, which is, is every one of our constituents, getting a fair deal from us, whether that's patients, employees, providers, our vendors, our community, our investors, and we took that really seriously and pursued that win win around all six of those axes, pretty relentlessly.

When I left or was asked to leave, you know, the company tried to move to a much more kind of execution oriented, nothing wrong with that, but less personal mission driven, style or touch. And I think it was because the people who ran it behind me didn't necessarily understand that we were really serious about that. Like, when we evaluate a deal, we say, look, is this going to be good for you, and is it gonna be good for us.

I was just on the phone today with someone saying, you know, I'm not sensing by your body language, that you feel like this is a good deal for you, it's a good deal for us. But if you don't, you shouldn't do this, that's smiles for everyone. they guy was like, Wow, that is great to hear. And let me clear that up. And as we had a great conversation with that basis, we think that way with all of our employees, our patients and everyone that becomes part of your DNA as a

culture. And when you take that away, and replace it by saying, well, we can do better, this metrics higher, or this metric moves further down field, a company like ours just loses its soul, if you will, or loses its art.

And it's amazing, because everything about our business is that last 5%, or that little extra mile, and you think about it, it's true, anything that you put your hands on, you think about your book, or, hey, if you didn't care deeply about the outcome, you could have got to the page count a lot faster.

And you probably would have went through a lot less rewrites and scrapped a lot less content to find other kind of, and that's what matters, that extra--work through the lunch break, that stay an extra half hour to make sure that patient gets their care. But when you're in a business, you know, multi site 400 and some odd locations, going after four or 5%. Same store growth. If I tell you someone stayed through lunch, the doctor to get a case done or stayed an extra half hour to finish a case, that's not 5%. That's like 10 12%. But it all comes down to that people really caring, and then you showing them that you care about them.

So that was taken away. And so to answer your question, when I came back to the company I went around to talk to I think it was 1500 people live out of our group. And we'd be in rooms, you know, and sitting there. This is back at a time you actually sat in the same room with each other right, that was a long time ago, but you sat in the same room. And they would say, you know, hey, are we serious about this bringing smiles for everyone back? And they said I said of course we are say so we can wear the wristbands again. And I kid you not like I'm wearing one of these right? I always do every day, people would literally came to the meeting. Oh, thank goodness, they pull them out of their pocket and put them on and say I've been saving this for this day. I was gone for two and a half years.

People were saving them in desk drawers. Waiting for when I hopefully came back. And so that was the biggest thing. And people always kind of scratch their head and go, really. And don't get me wrong. There were lots of tactical things that had changed that had to be adjusted back. But none of those could have been adjusted back until the spirit of the culture was back.

Jacob:

And just so I was slipping through the page in the book where I talk about this. And so it went from smiles for everyone. And then they changed it to to give providers and their dental teams the freedom to put patients first so that they can become the most preferred dental office in their community. So somebody might read that and say, Okay, well that that's not terrible. It's not bad. Why did that not resonate as much with your people with your customers as smiles for everyone?

Steve:

So you're correct. It's not that, there's nothing wrong with what they were saying. Now, I would say my critique of it was that that's not exactly a pithy statement that just rolls off the tongue. It's not, it doesn't fit on a wristband either, which is a big problem for me, or as a three word slogan,

on a shirt, or some or a name tag. But the bigger problem with that was we set our entire culture around, sitting down and checking in to our mission statement, we started every meeting, saying this meeting is about moving us closer to our vision of delivering smiles for everyone. And here's how it happens.

And then when we're working with people, we would check in and say, are we moving together towards smiles for everyone? And by the way, you know, who gets to evaluate that for you? You. You know, who evaluates it for me? Me. When you start talking about what I can't remember the entire thing you just said, because I sort of block it out.

But you're putting providers in a position to be the preferred provider in their community, you don't really roll that off the tongue and say, Hey, am I putting you in a position to be the preferred provider in your community? So that it becomes a statement that exists on a wall or shelf, but it's not breathing? It doesn't have a pulse? And so the way we do it now, yeah, if we just put the three words on the wall and talk to him, it wouldn't matter anyway. But we keep it really short and tight. So we can check in and say, are we doing this? Are we moving closer to this, and that just became part of our DNA. And when you move that generic thing that can be any dental company?

Jacob:

Hubert Joly is the former Chairman and CEO of Best Buy. Currently, He is a professor at Harvard Business School, and he's on the board of two companies, Johnson and Johnson and Ralph Lauren. The lesson that you will learn from Hubert today is that while many leaders are cutting people as a way to save costs, Hubert views people as the solution, not the problem.

Hubert:

I have this turnaround manual, because I've done a few of those. And yes, I'm not the cut, cut cut guy. I'm a big believer that in business you have three imperatives in business. One is People imperative, need to have good people well trained, well equipped, then you have the customer or business imperative, you need to have happy customers to whom you sell, you know, compelling services. And then you of course, you have a financial imperative, which is we need money. But the financial performance is an outcome of excellence on the customer imperative, which itself is an outcome of excellence on the people imperative. So it's people business, finance, and you treat profit as an outcome, not as your singular focus.

In fact, when we presented in November so two months after I joined we had the renew blue plan, we had all of the stakeholders, everybody talks about stakeholders now. So we had the customers, we had the employees, we had the vendor partners with these ideas of partnerships, we had the shareholders, of course we care about them. And then we had continued to be good citizens in the world. So we took care of all of the stakeholders.

And then from a turnaround standpoint, I believe that there's four levers, in a turnaround. Number one, grow the revenue line, it's amazing what growing the revenue can do. If you shrink, shrink, shrink, there's no, there's no cost decal that will get you out of trouble. So one is

grow the revenue, it's gotta be focused on the customers and the employees, then of course, you're going to cut cost, because oftentimes, you need to do that and Best Buy, we did. But the first priority around cost is what are called non salary expenses. So all of the costs in the p&l that are not related to people, which had most companies, you know, it's 70, or 80%, of the cost structure.

So let me give you an example of what we did there. So at Best Buy, let's agree, we sell a lot of TVs, right, and they're big, they're thin, so they are fragile. So we break a lot of TVs, either between the manufacturers in our warehouses or between the warehouses in the stores. Or maybe the customers also break them on the way to their home if we don't deliver it to them. So let's imagine, pick a number we sell 10 or \$15 billion worth of TVs, let's imagine we break 2% of them. That's a lot of TVs that are broken. So if you can reduce the TV junk out as we call it? This is a saving. Same with returns 10% of what we sell comes back. It's bad news from a, you know, nobody wants to buy something and have to return it if you can reduce that. So that's non salary expenses.

The third priority is optimize benefits. So a rising cost for most companies in this country and around the world. Is health care costs. So how can you work to, you know, foster greater wellness amongst the employees so that you can reduce the health care costs in any one plus two plus three is not sufficient, then you go after headcount. But that's as a last resort. And, you know, you're not so good to start with getting on the front line, you may actually cut first of headquarters, you want to delayer into the extent that you're going to reduce positions. You also try to redeploy, you know, because we have turnover in a company. And so you can actually redeploy.

So, you know, you don't treat human beings as the source of the problem. You treat human beings as the source of the solution. And you treat headcount reduction, not as a victory. But as a last resort.

Jacob:

Jim Heppelmann is the CEO of PTC, a technology software company with 6500 employees in 30 countries. Jim was named one of seven IoT leaders to watch in 2017 by Hewlett Packard Enterprise, he was recognized as IoT CEO of the Year by Postscapes and technology CEO of the Year by the Massachusetts Technology Leadership Council. There's always been this traditional mentality that leaders need to have a long term plan and stick to it. But Jim's lesson is that leaders actually need to have short attention spans if they want to thrive in today's rapidly changing world.

Jim:

There is sometimes a joke here that about the time Jim's getting bored with something that really starts to work. And, and maybe it's because, you know, my attention span isn't that long, so I try to be patient. But I'd also tell you having a CEO who's a little impatient, and let's say without a super long attention span, I think it's a good thing.

You know, I've been CEO for 10 years now. And the biggest problem with CEOs at my level of tenure is they just become entrenched in old thinkings. You know? They made a decision five years ago. Maybe even eight years ago, and for a couple years, they improved it a little bit. And then they've just spent the last five years tell everybody why it works. And we're not going to change it. And I'm a little bit of a different cut. I say, Hey, we did this. We improved it, it's working. But we got to think about what's next. And then let's not wait until it's not working to think about what's next. Let's some of us start thinking about what we're going to do next, even while this is still working pretty well.

And that's why I joke that, you know, sometimes people say, you know, he's getting bored, so it's really gonna start working. And it really means that you know, it's starting to stabilize, and I'm starting to think about what's next because my personality just doesn't have the patience to just ride success. I'm always looking for the next round of changes that would, you know, make us even better or perhaps protect us from some new threat that's headed our way technology disruption or whatever. So I think it's a good quality actually in the CEO.

Jacob:

Chris McCann is the CEO of 1-800-Flowers, a floral and gourmet food gift retailer and distribution company with over 3000 employees. The company was started back in 1976 when Chris's older brother opened his first flower shop and in the 1980s Chris joined his brother in the business and they have been working together ever since. Chris was named to the National Retail Federation's list of people shaping retail's future in 2018. Chris didn't learn leadership skills by attending a top tier University, Chris learned how to lead by those he surrounded himself with. Sometimes the best leadership lessons can come from those around you. And that is the lesson that we should take away from Chris.

Chris:

Jim brought a mantra to our business from what he learned as a social worker. And he tells a story that, you know, again, these were really tough teenage kids from the streets of New York that he was dealing with, and if you wanted to connect with them, and get to help them realize he needed to build a relationship with them first. So he created this mantra that rolls into our company, you build a relationship first, you do business second. So that was really the beginning, whether it's with a customer, whether it's with an employee, you need to understand and learn about these people, and how to connect with them and do so in a very honest, transparent manner.

I've also been fortunate, I did take a leadership course and later on an executive leadership course at Cornell University, which I found very helpful, but also along the way, out of this process of building relationships. Jim and I were both very fortunate to build relationships with some of the most enigmatic business leaders of our time. One in particular was Jamie Dimon, who heads up JP Morgan. Jamie also grew up in Queens and we got to know Jamie throughout our life and we would spend time with him from time to time and just absorb little into the way he thinks about things and take it soak everything in.

I remember, one of the most important things that Jamie said to us at one point was he said, you know, you guys spend way too much time trying to get everybody in the company to understand how the whole business works. He says, You can't not everybody's going to understand that he said, but what they need to understand is how what they do, connects to the company's success. He said, because people want to go home from their job every day, knowing whether or not they contributed to success. They're not just in there to punch the clock.

And that was a transforming thing for us is to really make sure that we do this now. And I really think it helps with leadership is to make sure everybody understands they don't need to understand the whole picture. You just need your senior management team to understand that. Everybody else needs to really understand how the piece contributes.

My brother and I often said that, you know, we got our MBA by meeting these different people that we got the opportunity to learn from, as we did business with them throughout. Another great leader that I learned a lot from a gentleman Ed Miller, who was CEO of AXA Financial. And prior to that he led manufacturers hand over the integration with Chemical Bank and into Chase Bank, just a great leader. And as we were growing our company, we had people that were with us for a long time.

And sometimes you run into a situation where the job outgrows the person, but yet the person was very loyal to you and very important in growing the business early on. And letting that person go would be very, very difficult to do. And I remember having conversations with Ed about this. He said, You're not being loyal to that person. I said, Well, I sure am, I'm keeping them in a job. He said no loyalty is making sure that every person on your team is in a position to succeed, whether inside your company or outside your company. So if the job has outgrown someone and you don't have a position in your company. It's your responsibility to do everything you can to get them the right job outside of your company. And that really transformed the way I thought about people.

Jacob:

Jim McKelvey is the co-founder of Square and the author of a new book called Innovation Stack: Building an Unbeatable Business One Crazy Idea at a Time. Lots of people are going through a time of reinvention. And having the mindset of an entrepreneur can be an invaluable asset. Whether you're an entrepreneur inside of a company, or someone who is building your own business, Jim's lesson is don't start by focusing on the money.

Jim:

If you just wanna make money, don't be an entrepreneur. If you want to make money, just do a business, build a business and businesses are great because you can copy them. Okay. So, if you want to be a successful person to make a lot of money, don't be... Entrepreneurship is a low percentage shot and I would say business by far, because you can do businesses that make money all day long and do that and if you ever have trouble, you can go

to other people, who are in the same business who can tell you where you're making a mistake. Much, much better. If you wanna be an entrepreneur, then it's a different set of rules.

Jacob:

What are some of the rules for being an entrepreneur?

Jim:

Well, the first is you can't be an expert.

Jacob:

Interesting. Okay.

Jim:

And what I mean by that is... And this is actually one of the reasons I wrote the book is that I see a lot of smart capable people who disqualify themselves from even trying to solve a problem because they feel unqualified and because they're unqualified, they've immediately equated that with "And therefore, I shouldn't do it." And that's almost always right but in one case it's not. I'll give you an example. I am... Let's say I wanna fly a plane. I wanna go out and fly a plane. Alright. Well, I have to get qualified to fly a plane. If I wanna get a certificate, I got to do 40 hours of solo work, I got to do all this work and then pass these tests and then the FAA will give me this endorsement that allows me to fly a plane. Okay, I can be qualified to fly a plane and if I'm not qualified, I shouldn't fly a plane but that doesn't apply to Orville Wright?

The first pilot, I don't know if it was Orville, or Orville or Wilbur but it was one of the Wright Brothers who had to be the first pilot in the world and by definition, there was no way he could be qualified to be a pilot because there were no pilots. We didn't know what the requirements were so he just had to get in and figure it out in the air and so, if you're an entrepreneur, by the traditional definition and you're doing something that hasn't been done, then the fact that you feel unqualified to do what you're doing is just table stakes. Everyone is unqualified to do what you're doing.

Nobody is qualified to do something that has never been done before because nobody's done it. We don't know what the qualifications are. You may have them and so the reason I wrote the book is I see these smart people, I see these bright capable people, who have been so indoctrinated into this way of thinking that they have to be qualified before they start, that they never start and look, that's an appropriate feeling, except in the case of you're doing something new, in which case that feeling of being unqualified, that's not the reason to give up. Look, Jack and I were completely unqualified to start Square. Zero qualifications in payments. Zero.

Jacob:

You learned everything from scratch.

Jim:

Absolutely. The world's biggest bank was built by a guy who dropped out of high school at 14 and was a produce vendor. He wasn't an accountant or a lawyer, he sold lettuce, builds the

biggest bank of the world. What you think of as banking today was invented by a guy who used to sell produce.

Jacob:

Pehr Gyllenhammar is the former CEO of Volvo, and has been voted Sweden's most admired man nine times. He became the CEO of Volvo when he was just 35 years old, and he led the company for 24 years. Pehr had to lead his company through lots of tough times, like recessions, and an oil crisis. While all the other companies were sacrificing their people to save their profits Pehr didn't let go of a single employee. In fact, he told me he would rather let go of a white collar worker in a management role than a blue collar worker working on the manufacturing floor. Pehr's lesson is really all about appreciating all of the people who work with him for you. And remembering that it's oftentimes the people on the front lines who make your business successful.

Jacob:

Well, of course I have to ask you, there's a lot that's going on now with the coronavirus with the current pandemic and I saw you wrote a couple of articles as well so what is your general thought? What's happening with the pandemic and how are organizations and leaders responding to it, are you happy with it?

Pehr:

No, I'm not. It's very difficult to be happy with a pandemic where people die left, right and center and where we see no end because there are those who are in science who say that, don't be too optimistic this will come back, there will be a second wave later this summer or in the early autumn so I have matured a little bit when I'm only 85 and I take it with resilience but I think it's a very dangerous, dangerous pandemic and that it may come back in the mid to late summer but I have in the meantime, I have communications with people around the world, I'm on the phone most of the time and on my iPad.

And I don't have good feelings about the pandemic, I think it's one of the most dangerous things since probably before World War I, I wasn't there yet in World War I, I was there in World War II and I was a child when World War II started. But I try now to do my best in writing, communicating, understanding where the world is and it's a different way of attacking things but I'm pleased with it so far.

Jacob:

What about as far as how leaders are responding, business leaders for their organizations, do you think they're doing a good enough job of putting their people ahead of profits?

Pehr:

No. I think there are quite a few or perhaps only a few who would not put profits before people. But I put people before profits in the sense that if I don't have good people, we could not have productivity, we could not go to have our aspirations come true unless we have good people. So I have people before profits and it's not declining profits. I think that profits are very important for

any shareholder company and that the shareholder should have their part of course, but that the people will create it.

Jacob:

Yeah, nope, totally agree. And I think in a recent CNN article, you were I think particularly critical of US firms, saying that they were not doing a very good job of looking after their people and putting people first. I don't know if you... Can you share a little bit more about that? What would you like to see, specifically American firms, do that they're not doing as far as taking care of their people?

Pehr:

Well, I think that the fact that when you get to a recession or a downturn, they layoff people. And they do it brutally. So they just say, "You know, X hundreds or thousands, you have to go." And that's it. And they get no remuneration, they get no praise, and it's very coldblooded. I don't like that.

And I have in recessions, I have saved not really my blue-collar workers because they are the most vulnerable, and I think they are the most vulnerable in the United States as well, and you can just dispose of them. And I have always rejected that and always cared for not least, my blue-collar workers. Because the white-collar people, they feel safe anyway even if they are not. They feel safe because they are always saved, whereas the blue-collar workers go.

And many of them have work places that are boring, monotonous, and where they get injured because of the high pace. And it's not a high pace in the production, it's a high pace for the individual people that have very short job cycles. And they get injured and they get bored, and both are bad because if they get bored, they leave, if they think that they have other jobs to make and to do. And they get also very often injured because if you do a thing for 90-second cycle, it's nothing, it's nothing. Everything is just... You are gradually injured and incapacitated. So I started production looking for the health of the laborers, and went to a 20-minute cycle instead of a one-and-a-half minute cycle, and that worked extremely well. They were motivated, they were great, they learned many more things, and they were quite proud of it. So I continued on that way three years after I started with Volvo.

Jacob:

I don't know if you've seen any of the news, but here in the Bay Area where I live, Uber has been in the news quite a bit. Laying off many, many thousands... I think a couple months ago, they laid off 2000 now it's 3000. And I read an article, I think it was yesterday, that a lot of leaders basically went to the CEO and they asked him, they said, "Look, please don't get rid of our jobs. We are willing to take a pay cut and our teams are willing to take a pay cut so that we can keep our jobs. Would you consider that?" And in the article, he said, "The answer is no." And now, there's a lot of articles that are coming out that basically are saying that he's just Travis Kalanick 2.0, he's doing the same thing that the former CEO did. And it's really crazy to me to hear these types of stories. But you've also had to deal with tough times, with recessions, with economic downturns. So how did you deal with it?

Pehr:

Well, I dealt with it so that I wanted the blue-collar worker to stay. They were loyal and I thought that over time, they would probably be pleased to not have been laid off. So I hardly ever had any layoffs. I had more layoffs on white-collar people that I didn't like because they were not productive. So if anybody would be laid off, it would be white-collar workers or high officials that didn't perform and didn't understand the philosophy that we had, that I had for the company. So with the blue-collar workers, they were saved and they were extremely grateful. And towards the... Well, later in my career at Volvo, I got... There was a poll from outside, what the workers and what the employees in Volvo thought about the leadership. And the blue-collar workers had 90% plus approval of their workplace.

Jacob:

Robert Glazer is the best selling author of *Elevate: Push Beyond Your Limits and Unlock Success in Yourself and Others*. He's also the CEO of Acceleration Partners, a 13 year old company that manages affiliate and partner marketing programs for a lot of well known brands like Adidas, LinkedIn, Target and others. He leads a team of hundreds of employees but they are all remote. The lesson from Robert is how he manages to create and scale an amazing culture for a workforce that actually doesn't work together in person.

Robert:

So the weekly call, we do core value shout outs. I like in our organization a little bit to kind of the Navy SEALs, if you think about it, or sort of the military, and particularly in Client Services, and it's analogy is not going where you think it's going. But, you know, the Navy SEALs have an ethos, right, they have a purpose. They have the operation, and they have the training, but you spend, you know, 90% of your time with your unit.

So we have client service pods and operational teams that are sort of the same thing. Those teams are actually out on the road together. They're at client events. They're traveling that They're really together a lot. And, you know, most of your experience is related to your kind of immediate team and manager. So when we're talking about the high level things, whether it's that, you know, weekly call or biannual meeting, or annual meeting, all company stuff, but, you know, we're, we're clear about making sure that all of those pods kind of follow the traditions and norms, but you do spend 80% of your time, you know, with that team of eight to 10 people, and they develop even their own culture within that, but it's all it's all it's all aligned, right.

So I think that's where a lot of their camaraderie, that's the people you're jumping on and doing the client call with and then getting on video for five minutes after and talking about it or going to do the in person, quarterly review with a client. So a lot of a lot of the day to day interaction happens in those smaller teams and, you know, similar, right, this sort of military, you got, there's like, principles over time, like a an eight can roll into, you know, 16, which can roll into a 32 and that That's sort of how sociologically people, you know, are kind of management group.

I've had more people tell us that they have a stronger sense of culture at our company than they had at any other place. So those things are true. True around collaboration, the flip side of what you just said is that people are distracted all day long, they're interrupted when they're in their REM work. You know, the great open office experiment has almost been completely debunked now that like, open off, people are putting on their headphones and, you know, noise cancelling headphones, because open offices are so distracting. Jason freed from 37 signals, you know, wrote in his book years ago, I think this REM work, you know, you have these two to three hours a day where you can get 90% of your good work if you're interrupted constantly, that then that's not good.

So I, to me, culture is like, what is it that you value? What are the behaviors and systems that you value? So if we repeat that, if we train on that, if we get people in on that, like embrace relationships, one of the things people tell us they start and they get pinned from all these people on slack or otherwise, like, Hey, welcome, can I help you? What do you need? Also, you pass a lot of people in the office, you talk to them, you have superficial conversations, our AP summit that we do goes extremely deep.

Like we take those three days. This year we brought in a guy, Philip Mckernon might have had him on to is unbelievable. He has this initiative called one last talk. We had four employees give their one last talk to the entire company. So what is the talk you would give if you were leaving the world tomorrow and Philips, one of these guys who does not let you hide from you know, you come and say, Oh, the three tips. So he's like, that's not your top, like, what is your top? These were deeply emotional, personal stories that explain how these people showed up at work.

The vulnerability and the sharing that happened over the next 24 hours was at a depth I could not possibly explain. People work together for five years started having conversations and I said I never know this person at all in this way. So those are the types of experiences that we try to create when we're together that form really deep and meaningful bonds that I do think carry on a lot throughout the rest of the year.

I think it's all these things that are intentional. The culture is the value you want to know what a culture is is values that how people behave. So we reward and we punish you know if you own it, embrace relationships in Excel and improve plus being a getting results for our clients. If those are the things that you love, that's what we support that's what we talk about every day. The problem with with values and culture sometimes is people they read them and they say oh I love on it but then I try to really be like, here's how we mean own it. You say you love on it, but then you come in you make a mistake and I read your brief that you write wrote on a mistake to share with other people and you blamed everyone else for it.

So not not you know not really own it. I generally think you know, we have this excellent improve if I took you through all of these things, how we how we do the core values, how we do the training, how we do the meeting. I think it's just more of this level of commitment and excellence to do all this stuff well, and be consistent. If, like I said, we're not for anyone if people come in

and they don't like the company or it's not a fit my biggest and we're not for everyone, but we're not a great place to work for everyone or a great place to work for 2% of the people and we're trying to find them and that's fine just like some people like a city school and you know, big city school and other people like a rural college like they wouldn't like the other college. They're both great colleges, but there's something that you're looking for that's a better fit for you.

Jacob:

Thanks for tuning in. I hope you enjoyed this episode on 15 top leadership lessons learned from 2020. Just to recap, here are the leadership lessons I want you to take away from these amazing leaders that you can apply inside of your organization and your life.

Number one comes from Arthur Blank, the co-founder of the Home Depot. His lesson is lead by example. And remember that no matter how senior you become inside of your company, you're never better than any other human being who works there. It's a great lesson for work and life.

Number two from Shellye Archambeau, the former CEO of MetricStream, create your own luck, take more control over your personal and professional life and make things happen instead of leaving them up to chance.

Number three from Marc Randolph, the co founder and founding CEO of Netflix. Culture isn't what you say or put in a culture deck. It's all about how you act, how you are in the things you do.

Number four comes from Jason Fried the co-founder and CEO of Basecamp 40 hours a week is more than enough time to get everything done. Don't burn yourself or your people out. It might seem like productivity in the short run, but it leads to disaster in the long run.

Number five is from David Cote, the former CEO of Honeywell if you feel stuck in your role or job, remember to focus on performance, self awareness and getting visibility for the work you do.

Leadership lesson number six comes from Kate Johnson, President of Microsoft US times are tough and one of the most important things that you can do is to lead with courage and empathy.

Number seven comes from Tiger Tyagarajan, the CEO of Genpact. COVID has changed leadership forever, and you can't use the same old practices, skills and mindsets from the past to lead people in the new world of work.

Number eight comes from Carrie Birkhofer, the president and CEO of Bay Federal Credit Union. As a leader, it's crucial to remember that your job, your responsibility, and indeed your privilege as a leader is to serve others and not to have others serve you.

Number nine comes from Steve Bilt, CEO of Smile Brands. Having a people centric vision and mission that employees can get behind is a crucial foundation to put into place for business success.

Leadership lesson number 10 comes from Hubert Joly the former CEO of Best Buy, don't view people as the problem that you need to cut, view people as the solution to whatever problem you are faced with and invest more in them, not less.

Number 11 comes from Jim Heppelmann, the CEO of PTC for a leader having a short attention span can actually be a good thing.

Number 12 from Chris McCann, the CEO of 1-800-Flowers, the best leadership teacher can actually be the people you surround yourself with. You don't need an MBA from a fancy school to be a great leader.

Number 13 comes from Jim McKelvey, the co-founder of Square. When it comes to reinventing yourself, it's crucial to think like an entrepreneur. But the most important thing here is to not start off by focusing on the dollars and cents.

Number 14 comes from Pehr Gyllenhammar, the former CEO of Volvo. Appreciate all of the people who work with him for you and remember that it's oftentimes the people on the frontlines who make your business successful.

The last leadership lesson number 15 comes from Robert Glazer. He is the CEO of Acceleration Partners. Just because you can't see your people in person doesn't mean that culture isn't important. In fact, in a virtual world, culture is more important than ever.

I hope you can practice and take to heart these 15 leadership lessons inside of your company and in your personal life as well. And on a personal note I just want to say thank you, to all of you who listened to the show, who share the episodes who send me emails and comments on social media. It really, really does mean a lot.

I've now interviewed around 500 leaders from around the world thus far. And I'm looking forward to many, many more years of the future of work with Jacob Morgan. So stay safe, stay healthy, and stay happy. Welcome to 2021 and I'll see you next week.