

Bill George 00:04

Alright let's see progress yeah let's

Jacob Morgan 00:06

see if you if it throws you in there

Bill George 00:09

I have to wait for you to start for me theater audios good

Jacob Morgan 00:22

click on

Bill George 00:24

me and it says please wait for the host to start just leave me go connecting maybe alright so let us assume connecting

Jacob Morgan 00:32

yeah it says joining let's see if that works.

Bill George 00:35

Okay got it being recorded Dinah's computer audio Okay start video okay sorry about all the complications

Jacob Morgan 00:46

it's all good

Bill George 00:48

I know But why don't let me start the video I want to start my video guys cannot start video failed to start the video I just had it on this morning for another meeting so weird i don't know what's going on here with my computer open zoom meetings I'll try it again.

Jacob Morgan 01:12

Oh because you might need to turn off your camera in

Bill George 01:16

in Riverside ah camera is still on Yeah, I'm gonna gonna find Riverside

Jacob Morgan 01:24

if you want to just exit exit Riverside Yeah, we can just exit out of Riverside

Bill George 01:31

let me see if I can find Riverside again.

Jacob Morgan 01:34

I can just end the meeting for all and we can just chat no I'm not sure that's good.

Bill George 01:37

Here we go. I entered it now. Now back to zoom. We got your wife's launch meeting so you may get in again now nice attractive wife Wow little George start video There we go. Now that okay

Jacob Morgan 01:59

yes yes a little bit see

Bill George 02:00

if you can record Are you recording I am

Jacob Morgan 02:03

yeah for some reason the video super choppy

Bill George 02:10

Oh my goodness. He always really Yeah, it's

Jacob Morgan 02:12

like Barry can you see me okay

Bill George 02:14

perfect everything time sound I mean you know video sharp nine sharp

Jacob Morgan 02:22

yeah and your is this I think that's probably where the issue was there's something going on with like the computer computer or the camera for some reason I think he's having a hard time like uploading because everything is like super super pixelated like I can barely barely see you.

Bill George 02:39

Really? Yeah, that wasn't a problem this morning. I just had a long meeting on a too many too long meetings

Jacob Morgan 02:46

really on man what is going on today? It might it might just be one of those like technology days I mean, one option is we could just do audio but I did want to share the video to

Bill George 03:01

me turn off and start over see what's a better yeah, let's

Jacob Morgan 03:04

try that and see if that makes a difference or where is the

Bill George 03:07

link once you send me a link by emails because I have it on my email area but only have it now on your computer so Okay, give me one second the whole computer Yeah, let me just shut down this site.

Jacob Morgan 03:21

So what's your your email

Bill George 03:23

Bill ba ll at BP george.com That's B like and Bill P like and Penny my GE or ge.com

Jacob Morgan 03:31

Okay Bill at BP george.com

Bill George 03:38

Let's try that

Jacob Morgan 03:41

yeah, I just sent it to you let me know if you got it

Bill George 03:44

I'm waiting just watching the other screen hadn't come up yet say went through Villa BP Georgia. Yeah. Me check out my mobile there it is. Zoom link. Okay. So what should I do here? Shut down. Where do we are here?

Jacob Morgan 04:24

Yeah, just try reopening it. And let's see if that works.

Bill George 04:27

Try it. How's that? Oh,

Jacob Morgan 05:12

that's much better.

Bill George 05:13

Good. I think the problem Jacob was your system was still on and I have not shut off your studio.

Jacob Morgan 05:20

Oh, that's probably what it was. Yeah, you look and sound great now. Okay, cool.

Bill George 05:24

I'm so sorry. No, no, it's

Jacob Morgan 05:26

not your fault. I'm glad we were able to figure it out. Let me make sure that everything is recording here. Okay. All right, Third time's a charm, or whatever attempt this is we'll get right now. All right. Hey, everyone. Welcome to another episode of leading the future of work. My guest today, Bill George, the former CEO of Medtronic, senior fellow at the Harvard Business School, and author of a new book called True North, leading authentically in today's workplace, the Emerging Leader edition Bill, thank you for joining me. Thanks. So people don't know. But we've been having a little bit of technical issues. So we're going to repeat a little bit of the stuff that we went over. But why don't we quickly go through just some background information about you? Before we had our tech glitch, you were telling me about some advice or conversation you had with your, your dad and your mom. So can you share what that was?

Bill George 06:18

Jacob, I was born in Michigan and grew up in Grand Rapids. I'm the only son of older parents. And my father, I thought was a good consultant. But when I was about nine or 10, he pulled me aside and said, Son, I feel like I failed in life and didn't realize my potential as a leader. And so I want you to be the leader I never became. And when I say kind of heavy trip, he even told me, he said, you know, you could be CEO of a company son. And I felt stuck in this company, Atlanta, Georgia, called the Coca Cola company. And you can be head of that company. And or there's another company in Cincinnati called Procter and Gamble, or a new little computer company out in the east coast called IBM. Well, there's I didn't know these companies, I drank Coca Cola. My mother was the epitome of value. She didn't care they got A's or C's son, I just want you to be true to your values. And so I but I subliminally rejected my father. But civility took in those messages, and said, Okay, I joined every organization, high school never got chosen to lead anything, never like student council, good enough tennis player to play a couple years of college tennis at Georgia Tech, but won't even go get my tennis team. So finding my senior in high school, threw my hat in the ring, become president, senior class against one other guy. I thought it was better lead and he was lost by emergent two to one. So you could see that I wasn't. So I went off to Georgia Tech, much as I love the school and park, get away from myself and start fresh. But being a glutton for punishment, I ran for office six more times, and lost all six. So now I'm over seven. And the best thing that ever happened to me, some senior is tech pulled me aside and said, Bill, no one's ever gonna want to work with you, much less be led by you. Because you're moving so fast to get ahead. You never take time for other people. It's like you're building a resume instead of a life. Boy, that was the best advice I ever got. And put together my own self help Leadership Program, leadership development to figure it out and talk to a lot of people including a lot of those who rejected me and was able to get it together enough to lead a lot of organizations. Well,

Jacob Morgan 08:26

let's start with the the advice that your dad gave you. Why did he tell you that? Like, what was he having a hard time becoming a leader? It seems like he was a good consultant, but he didn't quite achieve what he wanted.

Bill George 08:36

Exactly. Yeah, my father was not a leader, he lacked tact. He was very impatient could be quite negative at times. He was a good person wanted the best for me. And I think he was putting all of its

energy into his hopes for his son. And and so like I say, I I carried that forward even subliminally all the way into later in my career.

Jacob Morgan 08:59

And so it seems like the the feedback that you got was that you were not in correct me if I'm wrong, like being being present and focusing on adding, like you were just kind of collecting companies and roles almost like a Rolodex of try to get ahead. And people were very aware of that. And it kind of turned them off. So what exactly were you doing? That gave off that impression? Were you just kind of like, hey, I want to get promoted. Let me just do this job really quick. Like, is that the impression that people were getting and

Bill George 09:31

why? No, I didn't really spend I just was go go go all the time, and really not taking time. I wasn't building deep relationships. At that time. They were pretty superficial. And to me leadership, Jacob is all about relationships, and smi have learned over the years and worked very hard on but it took lacked a lot of self awareness. We had a lot of blind spots. And so I went back to none of the people rejected me and asked say give me some feedback. So they told me, I was never one of the good ol boys. But on the other hand, I'd spent started at that point trying to help other people mentoring, tutoring, all kinds of things, I could build those and build relationships, long term relationships and slowing down, not moving so fast.

Jacob Morgan 10:19

Well, what was the feedback that you got when you went out to all those people? Who, who didn't give you those opportunities? What? What did they tell

Bill George 10:27

you? You're focused more on yourself than you are on other people. And it's like you want the title rather than then really helping other people? They were right, by the way. Yeah, that was a blessing.

Jacob Morgan 10:43

But why? Why did the relationships matter? Because I know there are a lot of people out there who might be listening or watching this thinking, Well, Bill didn't do anything wrong. If he was doing a good job, and he was focused on his career. There's no requirement that says in business, you have to build deep relationships. Some people just want to show up to work, get their paycheck, do a good job, why can't those people get promoted?

Bill George 11:07

Because they're not really leaders. Look, the first thing a leader has to do is care about people they work with. And the very best, most valuable feedback you can get is 360. Feedback from your subordinates, I become kind of cynical about getting evaluation from your boss, because you can impress the bosses or that can be political. But I think in terms of the people who work with every day, they see the good, the bad and the ugly. And I think it's all about caring about your people, people will not respond to your leadership unless they know you care about them, who they are, where they're coming from, what their motivations, why do they even want to work there? Tell us about your family,

tell us about your life, just like you asked me. That's what people really want to know. And today, you know, I think in the old days, a lot of people went to work, they did get a job, they wanted to make money, they wanted to get ahead, they were looking for that VP title, or that senior VP title. It wasn't really about doing anything significant, or was about relationships. And today, we realize that's what leadership is all about.

Jacob Morgan 12:08

Yeah. But there are also a lot of business leaders out there, and I won't name anybody, but I think we you know, you can probably think of some in your mind, who become very successful, leading billion dollar companies. But it doesn't seem like they care about people where they care about relationships, yet they're very successful. So what about those people who seemingly got to where they are without caring about people?

Bill George 12:32

Well, first of all, it's how we measure success, Jacob, but let's go beyond that. I think that's why I wrote the book. Because I think a lot of people in the baby boomer generation, of which I'm a part, honestly, thought is all about getting ahead for yourself. It's about your self interest. The Economist even preached this today, with the gen xers and millennials, Gen Z, they aren't gonna they're gonna give you the time of day until you know, they know that you care about them and their life and what they want, what are their motivations, and you can't just ask them to be automatons, and fit into a nice bureaucracy versus the I hate bureaucracy. But I think it's really changed. And I think we need leaders who understand that. So my new book, that's what I've been talking a lot about it. Yes, there are a few baby boomers who really understand that people relationships deeply. And that's how they built their whole careers.

Jacob Morgan 13:27

I think and correct me if I'm wrong, your first leadership role was working for Leeton Litton Industries. In 1970, which I think you said was the company responsible for making the consumer microwave. Yeah. I'm curious to go back to those days. So I wasn't even born yet. Not even not even close to being born at that time. And you were a leader there at 27. What was leadership like back then what was the corporate environment like back then? Of course, we didn't have smartphones. You know, we didn't have lab like none of this stuff existed, that all of us are using now. Is there a big difference in what work and leadership was like in the 70s versus what it's like now?

Bill George 14:07

Totally. It's why people work. They thought they work for a paycheck, and put money you know, away and build a big home. And I think you and I went to work for Linton because I met a boss who told me it helped me become a general manager for I was 30. And I got to be a general manager at 27. And I was kind of a not an entrepreneur, but an intrapreneur. Building is there was no mic consumer, Mike, you've ever in business. So I just started build it up to a couple 100 million. It's best. It's one of the very best experience of my life, but it was all about people. We had a couple 100 People in the so called commercial restaurant business. But we had built up 2000 people and I had to build a team of people twice my age and make twice as much money and did great work. And to me, that's where I learned how to lead people. It was because I was not an expert in the technology and didn't know the appliance

business. You know, I had to hire a new CFO to bring in the right kind of financial look to the business and new quality head, new production hit all those things, because I was nothing more than the guy that brought people together and saw the vision saw the strategy, and then got everyone to move forward.

Jacob Morgan 15:18

Were you given any kind of like formal leadership training at 27? Or were you just promoted? And somebody said, Good luck figuring it out, Bill,

Bill George 15:26

the closest thing I had to leadership journey was in business school, but in business school, they don't. And those days, they didn't teach you anything about leadership. So the answer is no, I had no formally it was on the job training. And it was in a crisis, you know. And so I decided that, you know, the best training you can get leadership was put yourself in a crisis, I was packing my bags to go to Minneapolis for the first day on the job. And I turned on the radio, but use radios those days, and the announcer came out and said, the head of the Food and Drug Administration has just declared microwave ovens may be hazardous to your health. Oh, man. And great message I got up that it was mass chaos, and I would say but worked in the government is back into government trying to get through this proud of the problem. So but that league in crisis gave me an opportunity, really, to bring people together, and to learn how to lead in real time. And I've always told younger leaders, Jacob, you really got to put yourself on, you're really tested. Don't go into summer, it's nice and smooth. You're a product manager, Procter and Gamble. And you know, you're trying to put a different little packaging on tight or something like that. Get yourself in where it's really tough. That's where you learn about yourself. And it was stuff I can tell you.

Jacob Morgan 16:40

Yeah, no, I'm the job training. Did you make some mistakes along the way? And can you share maybe some of your biggest mistakes or failures?

Bill George 16:48

Well, the biggest mistake, I made two big mistakes, the biggest mistake I made in the microwave business, is we're doing business with Sears our business growing rapidly. They were too we did private label for them. And we grew so fast that we didn't have the depth of quality control, we lost control a lot of our quality. And it was in real time we were trying to keep going. And I kept going and probably expand it too fast. But you know, when when you're on a rocket ship, it's hard to slow it down. And so I think the mistake there was not getting the rigor of quality and that sale when I went to a Medtronic that we had in place, or even Honeywell, the second mistake was misjudging the leaders. And this is very important to what I'm telling leaders today I was looking at the the reputation there are two famous leaders leading the company, Rajesh, and Tex Thornton, you know, I got out to the company a few years, not too long later, I figured out they're making the numbers by doing the same kind of things. Jack Welch did, you know taking reserves here there, you could say cooking the books. It was not in those days illegal, but it was pretty marginal. And then the company is those things always run out and ran out for them. And the other thing a new CEO came in was the exact opposite of me, a tyrant. And he, he I remember hearing him tell one of my colleagues who was in the oil exploration

business. Don't I know what you had you? I know you have to do what you have to do, but don't ever put it in writing. Because our audit committee is very upset. Well, they were paying bribes. And I set up a very ethical standards, they thought I was too pure. But I did not have an agreement on what the value should be. I knew what the value should be for our organization, but certainly not for the corporation. So at that point, I knew I eventually had to leave. But I love what I was doing. So as a real contrast between what corporate wanted and what I was trying to build. Yeah.

Jacob Morgan 18:41

Well, let's talk about your time at Medtronic. So when you were there, how many employees did the companies have? Did the company have and for people not familiar with Medtronic, what does the company do?

Bill George 18:52

Well, our founder Earl Bakken, invented the pacemaker and Medtronic makes implantable medical devices and all kinds of medical equipment. So the largest company in the world. When I went there were sub 1 billion in sales to 750 million. And we had about 4000 employees today. Well, by the time I left, it was 26,000 employees, and about six and a half billion now it's 30 and, and 30 billion and 100,000 employees. So it's growing very rapidly, but it's only grown because of innovation. And because of the people we brought in, so we had a lot of revamping, we had some great people there. I didn't have to start over there are a lot of good people. And but as you grow that fast, you gotta grow a lot faster. So to me, leadership has always been about developing leaders who are inspired, can do the job and really care about the business. And we had to we did a lot of that.

Jacob Morgan 19:45

What were some of your biggest lessons learned as the CEO of Medtronic?

Bill George 19:52

Well, number one lesson is, it's all about the people here the value of the company, and Medtronic went from a billion on market cap to over 60, when I left is it walks out the door every night you can have pets, but those are temporary. You can have factories, but it really is all about the caliber of people. When you're growing that fast. How do you get the caliber leadership at all levels? I've never felt that leadership is just somebody at the top or even a C suite group. Its people at all levels. And a lot of times you find the people really matter. And once they have no title at all, but they're the real leaders that everyone looks to that, too for quality control, they'd look to for how do you handle a customer they look to for real inspiration, and innovation. So if I want to learn about innovation, I didn't get a meeting with Vice President during I went back to the labs. And so what are you working on? And I found, you know, there were certain people that were truly committed to innovation. So you learn who the informal organization is, like anyone could create a corporate organization chart, you can do that in your sleep. But what really counts are who the people that make the place go. And then what you do is you give them more challenges you, you look to them for greater opportunities.

Jacob Morgan 21:07

Okay, so that's the number one lesson at Medtronic, what were some of the other lessons learned for you?

Bill George 21:13

Well, I learned what counts at Medtronic are the frontline people. I came there Jacobite had 2530 years of high tech experience, but zero in medicine. And so the way I learned that I went out and got together with doctors 630 In the morning, put on the Greens go into the operating room, watch him do a circle, but Medtronic had people there that were technical experts helping him. And again, these are not regional vice presidents, these are the frontline sales and service people that they were the ones that made it go. And what I learned was what counts in any business for the last three feet. That's between me and that's between, you know, or if I'm the customer That's between me and a flight attendant or someone it's serving at dinner. And I think one of my great concerns about American business the last 40 years, I would say is we've diminished the role of frontline people. They're the ones who make it go it was those innovators in the labs. It was people on the quality line I met I had one woman tell me said, Mr. George, we don't need a quality department, I am the quality department because I my criteria is heartfelt gonna go in my mother or my father, I make \$1,000 a year, if one vowel is the fact that someone's gonna die. And you know, sir, I could never live with that. I could never live with that. So she does kind of the epitome of quality. And that's what you want. You want to honor those frontline people. They're doing the work. And I think as a society, Jacob, I'm quite concerned, you know, we've only looked at the people and all the incomes flow to the top and we have diminished the income of the actual people doing the work. And I've always tried to go the other way, but and spread it around. Yeah, yeah,

Jacob Morgan 22:54

I think you've talked about some articles that you've written that I read, I think you specifically mentioned GE, where a lot of people either they had the perception that they were these business geniuses, or people thought they were but the reality is, all they were doing was cutting costs and letting go of people and doing mass layoffs. But they weren't actually doing anything as far as innovation or growth, focusing on learned long term success. They were just chop, chop, chop, chop, chop. And that's ultimately how they were able to, like you said, maybe manipulate or just the numbers, let's call it adjust the numbers. And today, it seems like we're in a world where you have to be able to put people first. And that's what a lot of you know, that's what makes a great leader. But it sounds like you'll earn that we learned that very early on. Unfortunately, a lot of other CEOs at that time did not learn that. But you did. What were some of the biggest challenges that you faced when you were at Medtronic and how did you overcome them?

Bill George 23:52

Well, the biggest challenge is how do you keep the innovation going? Because many Medtronic was an innovation machine. But sometimes you hit good parts, and then you hit slow part points, you know, you have you make a big investment and a new idea and it doesn't work. It doesn't work sufficiently, you have to kill the the venture. And I was a big promoter that venture, what I learned is the organization bigger and the bigger organization gets, the more they want to kill innovation. And it's amazing to me that what happened, that's true of our most innovative organizations, they want to put everything in a process and the innovators get die, or the innovators or Mavericks, they don't operate like anyone else, you know, he's have labs at home, they're creating ideas, you know, they're, you know, they're doing all kinds of things. And I think if you don't create an environment where innovation

flourishes, you're gonna be in trouble in a company like Medtronic. So you have to but you have to have a high tolerance for failure. You have to say, Okay, we have 1010 irons in the fire, maybe two or three, one or two Amobi a homerun and a couple others. So three or four Morrible kind of get the first base and the rest will fail. But you have to have except that so you have to constantly be thinking about a portfolio of innovation ideas that you can push forward. And that's what I tried to do at Medtronic. And I think that's what made the company go. And one of my successors didn't do that. And it slowed down, it's easy to milk the business for four or five years, and just cut costs. And once you get on that cost cutting mode, you may never get a look, I believe in running lean. But I think once if you believe people are a cost, ultimately, your company's gonna be in trouble. People are your greatest asset. And if you don't believe that, then you probably shouldn't be run the company. What did

Jacob Morgan 25:41

you do to create that culture of innovation and to let people know that it's okay to fail? Because I feel like a lot of people even personally, not even from a corporate culture, just individually, we don't like failure, we're scared of it. We don't embrace it, we beat ourselves up. So two part question there creating that culture of innovation. And personally, how did you deal with failure when you failed?

Bill George 26:03

Well, first of all, we funded innovation very generously. And we put people in charge the innovations, and we gave them a lot of freedom. And if things did fail, we took him out of that job and put him in another one that died in real time just had a business that failed. And they took the leader out and put him in a bigger business, because it wasn't his fault. Now, if he, if he failed, because he did a sloppy job, the quality was bad. They couldn't produce, you know, that's very different. But if the idea doesn't take off, you don't really punish the leader. And so that's what we had to do. We had to create that culture. And then we honored the innovators, whether you walked out on the floor and you talk to him. We used to have quarterly meetings, and we bring in people that you're going to think this is corny, but again, but big patent award, and they got you know, a small check, you know, a few \$1,000. But, you know, these people are motivated by money, they were very honored to be sitting in front of the whole 250 top management in the company being honored. And we even had a society, named for a founder of Black Tie society, where people are allocated at the back and society for doing great scientific things. And many of these people never had held leadership roles. But then they were honored that way. And they were thought of as the thought leaders of the company. And we had a quality problem ever we had a problem and the pacemaker lead. And we couldn't decide what to do. We got the top scientists to come in up to the executive room and talk to us. And he was had no title. He was just a scientist, but he was the person knew the most. So I always tried to listen to the people that had the greatest knowledge.

Jacob Morgan 27:41

And what about failure? And maybe specifically, you could talk to yourself? Did you ever fail while you were at Medtronic in can you share the story around that? And how did you come back from that failure?

Bill George 27:54

Well, I was fortunate, I didn't fail overall, we had many failures of products that didn't go. But I can't I can't honestly say we failed there. Because the company flourished and did really well. Now, like I say, we had some setbacks, we had some quality issues from time to time, not they got to the point where that hurt people, we had a new heart valve that we paid \$38 million to acquire and spend a lot of money in the market and it didn't work. And so we had to shut it down and go back and replace the heart bells and all the people had gotten them. The result all of 32 people have gotten them. So that was a that was a business failure. But Ciana look at that as much of a personal failure. I just looked at sort of the risk taking of the business. And so so I'd like to be honest with you. I give you a big failure. Yeah, I reorganized the company nine months and promoted a very capable guy 15 years older, and I was to run Europe first president Europe we'd had similar to Java hit at Honeywell, fantastic leader, very powerful. Six months after I appointed him, General Counsel comes to my office and says, Bill, can I close the door and call our Chief Auditor up. And then they presented to me that this guy drone on your primary ring on behalf of Italian doctors.

Jacob Morgan 29:15

And he had a bright he was running a bribery bribery ring.

Bill George 29:18

Every time a sale is made 10% of the sale came to an account on behalf of paying bribes. And so I not only tell you this story, this because this is a failure on my prayer is that I called him over he's living in Belgium and I said okay, John, I showed him his compliance statement. He'd signed he said, Look, the problem with you guys is you're trying to impose American values on us Europeans. And I said no, John, these are Medtronic values are the same all over the world. But I tell you the easiest thing Jacob was to fire him that was not hard. The hard thing was going I was new new kid on the block. Going back to the executive committee going to the board of directors and saying look, the failure is not his failure is mine. Because we did And check out his values. I promoted him without checking out his value. If I'd done enough, back checking, I would have found some of these things out. He didn't change, but I misjudged him. And so that was a huge it was very embarrassing, by the way, because we filed with the SEC foreign potential Foreign Corrupt Practices Act, because we turned ourselves in, they let us off the hook. You know, everyone in Europe was upset we employ send a new president over who's very painful at the time, I don't want to trivialize it. But it was clearly a failure on my part.

Jacob Morgan 30:31

Well, before we talk about values, I kind of just wanted to see if you have any other memorable stories from your time at Medtronic, I mean, that's certainly a very memorable and a pretty, pretty interesting story. When you think back at your time as CEO, any other stories, either good or bad about leadership or challenges, anything come to mind that you think are interesting?

Bill George 30:53

Well, you know, Medtronic, I said was an innovative company. And we had a business that my predecessor decided to defund. It provided a drug pump for kids with cerebral palsy. By the way, Satya Nadella son, this transformed his life. And he a son saying just sadly died, cerebral palsy of 26. But this young man, a man named TJ, a kid named TJ black, he's 18 years old. And we invited a what we call our holiday party every year wasn't a party at all. It was all employees get together and hear from six

patients about their stories. And the founder tipped me off said look at this young man that's coming in. First one I've been to. And I was really moved by his story. And he said, you know, Medtronic saved my life. I tried to commit suicide twice. Now I got my pump, and he patted his chest. And I patted his abdomen, and said, This saved my life. And so it's just me to chill even today. 13 years later, and when I retired there, 12 years, I invited him back to come and tell his story. And he was now Hey, he still had cerebral palsy. But he can walk around, he could play wheelchair basketball, he had a wife, he had a child, he had a good job at PNC the bank, and he had a light. And that story to me, I took that so I have a picture on my desk. And you haven't even kept it there. But I had it on my desk the whole time, because that replicated what we were trying to do. It wasn't about saving a million lives about each one person, we can give him a good life too. And we all used to say that until a person who had a full life again, we hadn't done our jobs, just putting a defibrillator and didn't do the job. They had to be active. Have a full life. So when I hear people now Oh, my, my son got your diabetes. Oh, my father live because of your defibrillator. Say Yeah, but how's he doing now? And I think that's the key.

Jacob Morgan 32:45

Yeah, no, I like that story. All right. Any anything else come to mind? Or should I jump into the other questions I had for you?

Bill George 32:51

Let's jump on to some of the others. Okay, so I was and

Jacob Morgan 32:55

by the way, if any other stories come to mind, please let me know. Because I mean, the bribery one that you don't hear stuff like that often. So and obviously, I don't know what I don't know. So if anything else comes up. I mean,

Bill George 33:06

I'm always happy to tell you a story. So I'll tell ya more story. i We skipped over my Honeywell career. And I'm gonna be very honest with you now. I was in route to be I was one of the two leading candidates, probably the leading candidate, be the next CEO of this great global company.

Jacob Morgan 33:24

David when David Cote was there? No,

Bill George 33:27

I was this is long before David Cote.

Jacob Morgan 33:29

I had David on the show, too. So he was telling us he did an

Bill George 33:32

amazing job. I can tell you transform this, the old Minneapolis Honeywell, and I've gone there part subliminally trance, channeling my Father's authority to see me be CEO of a major company, major global company. I'd been present Honeywell, Europe had a great experience, came back did a whole

series of turnarounds. And but I, I'm a growth oriented guy. I like to build things and all we're doing is taking them down and taking them apart. And there was and so I remember I was driving home one day, and like I said, it was one of the two leading candidates to become the next CEO. And on the surface, my wife and I have a great marriage. We have two kids in high school. And a lot of friends looked in the mirror and I saw a miserable person me. Now, I'd been there 910, nine and a half years at that point. Why was that miserable. I was miserable because I was losing sight of my true north. We didn't use a phrase then. But I was grasping so hard to become CEO that goes all the way back to the mistakes I made in college. That title of being CEO that brass ring, so I reached out that brass ring I was striving to get and I went home and told my wife, you know, I feel miserable. I just feel like I'm not happy. I don't like flying 70 80% of the time. I know how to turn around business. I know how to layoff 1000 people. That's not That's not what I want to do. I want to build some. So I went to my men's group and she said to me, Bill, she said, you know the problem I've been trying to chilliest for a year he just refused to listen. So then Jacob the next day of a men's group, now, we've been meeting for 45 years, but then about 15 years and told him what I was feeling. So we turned Medtronic down for a job, I think three times. And then he's told us that, I said, Yeah, and you're gonna hear the year coming up, I always tell he's gonna be head of a major company, not a midsize company. They said, I want you to give it a shot. So I thought about it a lot called the CEO back got in mind. And I remember when I walked into Medtronic, for the very first time, I felt like it was coming home. Because here's a group of people with common values of common purpose mission of restoring people with full life and health. And but you know, if I hadn't had that searing experience at Honeywell, I think I would have made a lot more of a suit mistakes at Medtronic, this is not against Honeywell, this about me, you know, and, and playing the game. And that wasn't who I was, I was even changing my dress to wear cufflinks, which I've never worn to impress people. So it was yeah, it was an authentic anything but authentic. In those days, you

Jacob Morgan 36:03

gave a speech to Stanford graduate students not that long ago. And you ask them a series of three questions. And I wanted to ask you those questions now. Because you kind of went through your career. And so I'm really curious to hear looking back on how you would answer these. And the first question you asked all these Stanford graduate students, is, where are you going to find the passion to lead? So now that you have led several companies, where did you find the passion to lead?

Bill George 36:32

The I've wanted to be a leader of people, but I never found the right place to do it. I couldn't do it, it led me because it was corrupt. at Honeywell, I didn't love the business. I love building an organization. I didn't love the business. I didn't like going boiler rooms and things like that, when I got Medtronic, it was very easy to be passionate there. But I've always had the passion to lead people, but I want to do it towards a purpose. Now, if there was a purpose of living microwave, I never found that at Honeywell, because the company had a purpose in those days towards kind of like GE making money. That was their purpose. And that's not a purpose. And you're never gonna inspire the frontline people or the engineers, the innovators, people doing the work with that sense of purpose. So when I went to Masonic, it was all about the purpose. And that's what brought people together, we all came together, we think we can help other people. In fact, our metric at Medtronic is interesting, Jacob, because it wasn't earnings per share. It was how many seconds does it take until another person is healed by

Medtronic product. And when I went there, it was 100 seconds. When I left, it was seven seconds. Today, it's two per second. So you can see how many more people just do the math, how many more people are helped by Medtronic products today. And so we looked at, and frankly, that's what the people on the frontlines measure them. So they go home and tell their parents, their families and their friends about that's what they're proud of. It's not making 391 a share. They don't say, Oh, the company reported 391 against an expectation 389. That's not what the charge amount.

Jacob Morgan 38:08

Yeah. So it sounds like you're your passion, it sounds like came from the what the purpose of the business was and aligning that together. And in your case, saving lives. And that became the passion for you. Whereas if the company said, Hey, come work here, we want to make a lot of money. Passion can't for you. It wouldn't have come from that.

Bill George 38:29

No, and I know how to do that. But it's like, you know, are we always satisfying shareholders? Are we building a cathedral and I felt like at Medtronic, we're building a cathedral. You know, somebody could look back, I look back today, I've been out of there almost 20 years, with great pride of what we did. You know, I'm very proud of it. And all these successors have carried that on and made it bigger and better. And so that's the criteria for me. It's not what you do. While you're there. It's just flourish after you left.

Jacob Morgan 38:56

Yeah, I love that. Alright, the second question that you asked the Stanford graduate students is around development as a leader. So the question for you is, how did you develop yourself as a leader? When you were CEO? What did you do?

Bill George 39:10

Well, I told you, I had some early problems of self awareness. I really had to work on my self awareness. A couple of things I did because I tend to move pretty fast and keep a lot of balls in the air. And I, my wife, called me out on it once it got me to go to a meditation class Transcendental Meditation. Two hours on a Saturday, two hours on a Sunday. Nice. Okay, that's it. No, I've been doing it the rest of my life. I'll do it today. 20 minutes a day. And I tell every executive CEOs on the first line people, you ought to take time out for reflection. I don't care whether you go for a long walk, you take a jog. You sit in a garden, whatever it is, reflect on and ask yourself the question, how do I show up today? I was excited about what I was doing, and I help other people Oh, that was I inspire was I inspiring. And the second thing I did was really work on getting 360 feedback, we had a 360 feedback I put in at Medtronic, starting with me. So frankly, it was a lot easier to get high ratings from the board of directors than it was for my subordinates. And but you get a lot of great insights on confidential, written feedback. And so I'm a great believer, and then I would always start out every review I had with people always saying, Well, how am I doing? Even though I was their boss, tell me how am I doing? What What could I do better? How can I make you more effective. And I think those two things really helped me develop as a leader, and really listening to other people. And like, there a lot of times in business, you have to make hard decisions, and people don't agree with you. But you I had a policy of anytime we made a decision, we got everyone together who had any anything to contribute to it, and asked everyone in the

room to say what they thought by the end of the discussion. And then I go back and see the people and I say, you know, Jacob, I know you disagree with the decision. But there are some other factors that CEOs have taken into account. But I'm asking you to do with Will you support the decision? You know, even though you disagree with you had your you had chance to express your opinion? And I'm asking you to support the decision.

Jacob Morgan 41:16

And the last question you asked was, how are you going to make a difference in the world? And what impact do you want to make? So for your case, looking back? What difference do you think you made in the world? What impact do you think you had on the world?

Bill George 41:34

I liked this is a modest but since I was in college, I had been mentoring, helping a lot of people. And I think that's what I hope people remember me for is I helped someone when they needed help. I mentor a couple desks and CEOs now, but also just 100 other people, I tell him to call me if you need help, and that chasing him. But anytime they're in a different difficult situation. So called out when you can talk to him, he got a promotion, that's great. But also call and you don't know what to do. I'm thinking about leaving, I have a terrible boss, somebody at Microsoft called me and said, I've been mentoring this young man since I coached him in soccer, since he was 14. He said, he's a terrible boss, Phil, and he's driving me nuts. He's dragging me into the ground. I said, Yeah, but you're working for a great company, stick around, and maybe we'll get another opportunity. So he went to work. Now the bar, the company is flourishing there. And I just think those kinds of stories, really, of what I that's what I resonate with today, honestly, today, I'm not leaving anything. But what I do is I'm helping a lot of other leaders. So I'd like to be thinking of myself. And my North Star, if you will, is trying to help develop other people reach their full potential. And I can be very challenging. I said, you know, Jacob, you feel a lot better if you stepped up in other ways. But in fact, my new book, we talked about that and the coaching model of challenging people to be even better and to make that difference in the world that I asked the Stanford graduate. How are you going to make a difference? How are you going to what do you leave behind? You know, you only got one shot at life on this earth? And what are you going to? What are you going to leave behind? How are you going to be known? years after you leave? I asked CEOs, the same question. New CEOs. Okay, you got tenure as CEO? How are you going to be known 510 years after you leave? What kind of person were you? And I think that to me, is the real criteria.

Jacob Morgan 43:27

Yeah, it's important reflective question. Well, so I like to use the last few minutes of our show. And I know we started a bit late. Do you have another like, 1015 minutes before we wrap it up all the time? You want? Okay, perfect. So for the last 15 minutes of the show, I wanted to focus specifically on on action items. So you shared a lot of great stories, we talked about a lot of different things. last 15 minutes, let's talk about what people should actually be doing in their lives and in their careers. And so the first thing that I want to go over is finding your true north. Why is that so important? And how do you find it? And does it change over time?

Bill George 44:06

We live in an identity society, and were identified by a race, religion, national origin, gender, sexual identity. That's how it's important. It's who we are inside. And I that's like judging a book by its cover. I really want to help people and your true north is who you are. It's what you believe. What are you passionate about? What do you care about what's motivating you? Where do you find satisfaction and fulfillment in your life? And so I think you can only understand that by going back and processing your life story, and then looking at those difficult times. So it's crucible as we call it. I told you about a crucible in high school I told you I know that when I left Honeywell, those are genuine crucibles for me, and I had to go back and really think about what was causing me to do that. And did was I really find my true north. The answer was no, I was getting away from it. So I I think finding your crucible, maybe your parents got divorced, maybe you got rejected by a girlfriend or a boyfriend. Maybe you went through a divorce and you got fired from your job, and but still is in those places where kind of all the pretenses stripped away, I like to say you're standing naked in the sun, you really figuring out who you are. And I think that's the essence what we all have to do. Because then I think the biggest risks we face is being is being requiring the adulation of the outside world. You know, when you get caught up in Appalachian, even the greatest inventor and entrepreneur we have today is Elon Musk. But he in this whole Twitter fiasco is very much at risk of being caught up in needing kind of the adulation of the media, even Jack Welch got caught up in that the last 510 years is career trying to be manager, the century or something, those things don't matter. They pass that's not what people that's not what people remember you for. So it's those crucible moments that tell you who you are. And then you put it together and you say, This is who I am. It looks janky Vienna like me the way I am. But this is who I am. Yeah, and I know, I interviewed a lot of diverse people for my new book, one of the people was Beth board at best at lambda lakes. She's the first openly gay CEO. And she said, You know, when I go out there, I show up as the CEO, I don't show up as the female CEO, when I'm talking to farmers in Iowa, which is my, my owners, I don't show up as a female CEO, I don't show up as a gay CEO. I'm the CEO. And by the way, if you've got a problem with that, that's your problem, not mine. Yeah, this is who I am. So I kind of liked that being upfront, you know. And, and so I think that's critical to to get it together.

Jacob Morgan 46:46

This is the true north change over time, or once you have it, is it yours forever, like his years ever changed, as you know, thinking of working at Litton, in the 1970s, to being the CEO of Medtronic?

Bill George 46:58

Nope, my TrueNorth hadn't changed. But I think you can lose sight of it, you know, like I was starting to doing Honeywell, I think you can get off track, a lot of you will get off track, somebody will get so far off track, like a Mark Zuckerberg, they can't get back on. But a lot of us lose sight of it, we can get back on, you know, and that's why we need a support team around that can help us we need to have whether a spouse significant other, we need to have mentors that can see us getting off track and or we need a support group and are like people that care about us, you know, close friends and say, Hey, where are you going, man? What's going on?

Jacob Morgan 47:30

Yeah. What do you do when your TrueNorth doesn't align with the work that you're doing? Because oftentimes, right you have this true north and somebody saying, hey, you know, I know this is your TrueNorth but luck, compass compromise on that a little bit to high paying job, there's a lot of money to

be made, you know, you can still kind of weave your TrueNorth in there, you know, be a little bit flexible. Is it worth that? Compromise?

Bill George 47:58

It probably well, I don't say just because you don't find that alignment, you should leave, I think you work hard to find the alignment with the company's purpose and mission. But if you really can't find it, don't compromise checkout, you know, go to another place like I went from Honeywell to to Medtronic. And again, then Honeywell wasn't a good company. It wasn't the right company for me. You know, you all have to decide where should I be where you're going to spend more time at work than anything else you do in your life. And don't don't put your life away work in something just because you're going to make a little more money. When you're doing something you love. And you're great at it. You'll make good money, plenty of good money. And you can't take it with you if the only thing you take with you what you leave behind. Yeah.

Jacob Morgan 48:42

What about in terms of values? How do you develop your values? Is it does it come from upbringing comes from experience comes from your surroundings? And how do you make sure that you develop the right values? I mean, for example, we think of Enron, right? Like I'm trying to imagine when the executives at Enron were you know, defrauding lots of people, you know, when they grew up, I can't imagine their parents didn't teach them things like honesty and you know, do the right thing. I doubt that when they were younger, their parents were like, Look, you need to defraud as many people as you can and take advantage of everyone and just destroy as many lives as you can. So how do we how do we get pulled off course sometimes? And how do you stick to those values?

Bill George 49:27

The most important question you can ask, it's back to that external annulation. And, you know, they were they're triggered you know, we have we forget that before Enron fell. Yeah, it was it was in the newspapers every day, this heroic company, all the money they're making fastest growing company, how much they were worth. And I always tell students and I believe this myself, and I'll say to everyone who does your podcast, when you're, when you're when your self worth, when your net worth is your self worth, you're in trouble. In other words, if your self worth is based on how much money you earn, if you go home every night and count your bank account, I'm counting on the journey, you're figuring it all out, you're in trouble, because that's not what it's all about. And I think the Enron guys got caught up in that, and it became a game, it was a big game. And they didn't call defrauding people, they just said, we're creating all these vehicles where you can make money. Same thing that happened again, in 2008, with the bank crash, all those people out subprime mortgages and giving people houses they couldn't afford, and mortgages, they couldn't handle, same game, then it all collapses. So anytime you play that game, see, the thing is we make a little compromise, it becomes a big compromise later. So like Medtronic could have made a lot more money in China and Saudi Arabia and India, if we paid bribes, but that's gonna come back, it's going to not only violate your values, it's going to come back to bite you big time. So those little compromises become big compromises. I have a guy talking about my book, who is a fantastic leader, many Rajat Gupta, who was CEO of McKinsey. First, not American ever elected head of McKinsey, the great consulting firm, elected three times by his peers. And I got to know him after that. And we're sitting on the board of Goldman Sachs. And at the most critical time

during the financial collapse, when Warren Buffett was going to put more money into gold, and no one knew that. And we had just approved the deal, board meeting and she walks over to the window. And he calls a well known inside trader said, the deal is done, go ahead and trade. The guy bought 90 million stock and went to jail. And Raja went to jail. Very sad story. He was a good person. But he, though he got on that slippery slope, little compromises then became a big compromise. And it cost him his reputation. And, frankly, his perspective, all of his peers.

Jacob Morgan 51:51

Yeah, sometimes it's hard to you just get tempted by these things. And yeah, what do you do? I mean, what did you personally do to stay on course? And what should people be doing? Is it just surrounding yourself by the right people? Like how do you stay away from those types of things?

Bill George 52:08

We call it staying grounded. And I think it is, first of all, I have a spouse that's always going to call me out if I were dinner with a lot of prominent people or cocktail party or something, where I'm trying to, you know, I used to talk to Mr. By Ustica want to meet all the most prominent people in the room when you go to Davos or something like that? Yeah. And she said, you know, you just got to realize, keep your friends from high school in college. Don't abandon a member Jamie Dimon once said, When he got fired by Sandy Weill, he said he had to go to Chicago, and he said, it, no one wanted to talk to him, his phone stopped ringing, they want to be able to talk to him or his high school and college buddies, you know, because those are the people that count. And I've had this men's group for 45 years we meet every Wednesday, we'll meet tomorrow morning, to 615 out here in Colorado. And we can do it on Zoom now. And, and if we got a couple of scripts that I've been meeting since 1983, these are the people that keep you grounded, because people go through difficult times in life. And I find when you you're out there with the real world, working with people in committees are having a tough time, it keeps you grounded, and you don't start to think you're better than you are or think you're better than other people. Maybe you're just lucky, or

Jacob Morgan 53:20

maybe one or two more questions for you. One is on EQ versus IQ. IQ is, you know, obviously, there's a lot of debate now. And we're talking a lot about EQ and the value that it brings to the organization. How can people develop their EQ, you talked about self awareness earlier, 360 reviews, but there are also other important qualities of emotional intelligence. Right. So what are those important qualities? And how do you work on them?

Bill George 53:45

By the way? It's a great question, because I talked a lot about this to my new book for emerging leaders. We used to think leadership was based on the smartest guy in the room. There's good news and bad news. The bad news, your IQ doesn't get any better from ages 10 to 60. It just, you know, you just get a lot more knowledge and a lot more learning. But EQ can be developed qualities like empathy, compassion for other people, having a passion, courage. You don't you're not born with courage, you have to go out and test yourself starting a business, testing yourself in the real world and not somewhat physical courage. One of the greatest example of courage is when Ken Frazier walked out of the President Trump's councils after Charlottesville because it violated what he thought it meant to be an

American, that all people are created equal. And he walked out after that. And, you know, I have such admiration for his moral courage. So I think you can develop these qualities over time by putting yourselves in real world situation and learning from Satya Nadella at Microsoft says we need to have learned at AWS not know at all. They had all know it all when he took over eight years ago, and now they're learning it all and so are you a learner? You I'd like to say anyone Are you listening? Are you constantly learning? Do you learn from every experience? Do you process when things don't go your way? When did I do wrong? Rather than say, Oh, those guys treated me badly? No, maybe you did something wrong. Maybe it caused yourself to get forced out of your job. So look at it, or you had a business failure. What did I do wrong? What was my role in that? So it's that constant learning, and asking yourself and asking other people for feedback, honest, candid feedback. You need truth tellers around you, who will tell you what you don't want to hear. And if you ever get so caught up with a group of sycophants who tell you how great you are, you know, you're in trouble.

Jacob Morgan 55:35

And I suppose a part of this is vulnerability. I mean, that's the topic of the new book that I'm working on, that'll come out the mid next year. But you need to have a little bit of vulnerability, right to go out in front of your peers, your co workers, other leaders and say, Hey, can you be honest with me? And tell me what you think?

Bill George 55:50

Exactly. I had a colleague I worked with, as I'm still working with John O'Brien, who is a homeless man, when he came in, he told us about Canada, my class, he talked about being a homeless person. And he had learned to be vulnerable, rarely and choose to cool for school. And I think vulnerability is the key. Because for a long time, I had trouble saying, I don't know. Now, today, I can say, I don't know, you asked me some I don't honestly know. And I think having that capacity, or I made a mistake, you asked you how mistakes I made, you have to honestly say I made a mistake. Or I treated I'm sorry, what I said to you, I didn't mean to be hurtful. But I said the wrong thing. And I'm sorry. So those qualities, if you can say you're sorry, if you can say your made a mistake, you know, or you can say I don't know if you can do those three things that's really, really shows the quality of being vulnerable. He calls it vulnerability as power. And I got that in my new book, because I think vulnerability is power. Because by the way, like I'm coaching and our people who are alcoholic, and they'll tell you Look, I am alcoholic. I'm a and I haven't had a drink in five years. But yeah, I had some real problems and lost control. And they made themselves vulnerable. You know, if you see somebody who's drinking too much, it won't acknowledge it. They say, Oh, no, they're in denial, they want to acknowledge it, it's very hard to deal with them. So that vulnerability is crucial.

Jacob Morgan 57:09

Why did you struggle with it early on in your career was just the culture that you around didn't support it? Or what was it that made it so hard?

Bill George 57:16

My desire to get ahead too fast, Viana, when I came out of school, I thought leadership was like a rocket ship. And when you start here, 22, all of a sudden, you become CEO, I didn't learn. The best thing is, I do a lot of mountain climbing out here in Colorado, you know, when you get to the top of one

peak, you see another peak to go to, but you got to go down in the valley to come up. And life is like that you got to go down in some valleys, where things didn't go your way to really learn how you can reach your peak leadership. And so I think that is key, and that's being vulnerable to get down in that valley. That's where it gets stripped away. That's why that's part of your TrueNorth. Because you get all that pretense stripped away from you. And being vulnerable is key, I think and willing to accept that their life doesn't always go your way. And there's a lot of people out there you have to empathize with, they got a lot of bad breaks.

Jacob Morgan 58:07

Yeah. No, I like that. I think that makes a lot of sense. And it's very, I think, something practical and actionable for a lot of people that they can start to implement. Well, those were all the questions that I had for you. Before I asked you where people can go to learn more about you and your book, any last parting words of wisdom or advice for all of the current or aspiring leaders out there?

Bill George 58:30

Yes. Because I think we need desperately need authentic leaders today, we don't need a group of phonies. We don't need to grow people out for themselves. We need people that know how to bring people together to help them reach their full potential. And I can tell you, if you do, that's the most rewarding thing you can do that I want to inspire people to go out and lead, you don't have to be CEO step up and lead right where you are now, just be that person that makes a difference. And you can film in a reward some that are really truly great. So that's the one thing I would leave with them. And you can find your TrueNorth. And you can follow your North Star, which is a purpose, your leadership. And at the end of the day, you'll find yet a very fulfilling life. And you'll hear from a lot of people how much you helped them. You might even the thought you did, but you were helping people along the way. Because you only get rid of one shot at life. And so they just don't make it worthwhile.

Jacob Morgan 59:23

I agree. Bill, thank you so much for taking time out of your day and love the insights and the stories where can people go to learn more about you and your book?

Bill George 59:31

Well, I have a website Bill george.org Just be you know, Bill ga.org easy to find or just google me it's comes up pretty quick. But I think the book will be available in bookstores on August 30. You can preorder it anytime before that, and I hope people will because I really want I wrote the book Emerging Leader edition of TrueNorth to really inspire people at a younger leaders to step up and lead. We've got A lot of things not so good in this world. But you can make a difference in the world, whether it's taking on climate change, taking on health care, taking out poverty or income inequality, whatever it is, find your passion and then go do it. And you'll have a good life.

Jacob Morgan 1:00:16

I hope people pick up the book as well. Thanks again, Bill, my guest, again, Bill George, former CEO of Medtronic, make sure to grab his new book called The True North. Bill, thank you so much for for coming on the show today.

Bill George 1:00:32

Thank you very much. Appreciate it, Jacob. Yep.

Jacob Morgan 1:00:36

All right. Don't hang up yet. So let me push stop record. And then really quickly as a promotion, because we're going to distribute this podcast, can you just say your name, former CEO of Medtronic. So my name is Bill George, former CEO of Medtronic, and you are listening to leading the future of work with Jacob Morgan. So name, title and just you're listening to leading the future of work with Jacob Morgan.

Bill George 1:01:02

My name is Bill George. I'm a former CEO of Medtronic, and you're listening to future of work with Jacob Morgan, leading the future of work. Let's go over it again. My name is Phil George. I'm the former CEO of Medtronic. And you're listening to leading the future of work with Jacob Morgan.

Jacob Morgan 1:01:21

Perfect. We're all done. Right now.

Bill George 1:01:23

Oregon, Jacob.

Jacob Morgan 1:01:24

Hey, yes, your

Bill George 1:01:25

thank you. You did a fabulous job. You're a very skilled obviously at this.

Jacob Morgan 1:01:30

Thank you. That was a lot of fun. So I'll send you a link when everything's ready to go. It'll probably be