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Defining  
— THE —  
Characteristics  
of Success



# 1

## Apples Are Square

*“We must always change, renew, rejuvenate ourselves;  
otherwise we harden.”*

GOETHE

### SO, WHY SQUARE FRUIT?

“Value the small voice inside that tells us to do the right thing,” says Christopher Zorich, a former defensive linemen for the Chicago Bears and the Washington Redskins. At the height of his professional football career, when he was making millions of dollars, what did he spend his money on? Lots of bling? Fast cars? Faster women? Mansions? Other kinds of conspicuous consumption? No, he established The Christopher Zorich Foundation in honor of his mother. The purpose of the foundation is to feed and help needy neighborhood children and their families. Then, when his football days ended, he went back to school to earn his law degree to help manage the affairs of the foundation.

Our book title was taken from this inspiring anecdote. Chris reflects on his boyhood years:

“My mom had to go through some rough circumstances, but she always kept a positive attitude. We never had a motto in the house or anything. I learned by watching her and seeing

how she was able to turn a negative into a positive. Sometimes we didn't have food in the house, so we would either not eat that evening, or we would go to the local supermarket. It closed at 9:30 PM. We'd search through the dumpsters for food, and look for rotten apples and stuff like that. We kind of made a joke about it sometimes, but I didn't know apples were round until I was older. I thought all apples were square because my mom would take a knife and cut or square off the bad spots. Then, we would sit and eat our squared apples."

Zorich's life certainly reflects lessons from his mother. No pithy sayings, no clever mottos, no bumper sticker morality. He lives his and his mother's values through his actions.

"Squared apples" symbolically stand for a new way to lead in the workplace and a new way to measure success—both personally and professionally. While Chris Zorich's mother took rotten apples and literally reshaped them into something edible and appealing, we, as a society, need to take bruised work environments and reshape them into dynamic, inclusive, and collaborative organizations.

Likewise, we need to re-examine the central core within our own personal life. Is the core selfish or selfless? Is our primary motivation to achieve material gains for ourselves and control the people around us? Is our orientation geared towards using people or getting the most out of them for themselves as well as for the good of the organization? Serving others, helping others, and inspiring others to bring out their inner core of strengths and talents is what the new definition of success is all about.

## THE NEED TO CHANGE

During the next 25 years, organizations will have to undergo revolutionary change. There is a critical need for a fundamental shift in leadership, driven by an equally critical need for imaginative thinking about the meaning of success. In the workplace of the past, leaders tended to be authoritarian, aggrandizing, and arrogant. Future

leaders will need to communicate in ways that inspire others to learn more about themselves and serve others. Does this sound too good to be true? Not really—the world truly needs to change. Tomorrow’s leaders need to be engaging, unpretentious, and even compassionate and self-effacing. *Apples Are Square* tells us how to begin. We must bring a new vision, belief structure, and focus to the workplace, our families, and our own personal lives because too many contemporary organizations are dysfunctional and ill-equipped to cope with the challenges of the future. We need a new model—a new leadership style and success formula—that we describe in our last chapter as “peopleship.” This new archetype emphasizes the people within an organization rather than the leader. As an economist might phrase it, an organization will endure if its culture “bubbles up” from the employees rather than “trickles down” from the leaders at the top.

## THE OLD SUCCESS FORMULA

Size defined success in the 1990s. How big was your bonus? How large was your portfolio? How many options did you have? What was your net worth? What was the market value of your company? Americans in the business world were seeking a way to get rich quickly in order to retire early. The ability to accumulate wealth and plan for retirement determined self-worth. Success was defined financially, not by the contribution you made to the people around you or to the world you inhabited.

The strength of this self-centered standard for success began to dissolve at the beginning of the 21st century. The economy flattened; the stock market crashed; many people lost their jobs; global terrorism reigned; pension funds collapsed; and the dreams of wealth and early retirement—the 90s benchmark for success—seemed like vague memories from a distant time. The greed that seemed to take over as a core value for many leaders has gotten them into trouble. The list of fallen leaders is embarrassingly long and lengthens every day. Take a look at the following corporate, political, religious, and sports figures that have made infamous appearances in recent headlines:

- Bernard Ebbers of WorldCom
- Richard Scrushy of Healthsouth
- Cardinal Bernard Law of the Boston Archdiocese
- Jose Conseco of Major League Baseball
- Dennis Kozlowski of Tyco International
- Hank Greenberg of AIG
- Jeffrey Skilling of Enron
- John Rigas of Adelphia Communications
- Harry Stonecipher and Phil Condet of Boeing
- The Honorable Tom Delay of the U.S. House of Representatives

What do these leaders all have in common? They share an outdated and archaic style of leadership.

They represent the “old guard”: egocentric leaders who embraced a “control and compete” mind-set. They focused on *their* needs rather than the needs of their people. They did not deliver as promised, committed serious ethical errors, lacked a solid set of values, and incurred both mistrust and disdain. They also cost their organizations dearly in terms of prestige, reputation, and financial well-being. In some cases, they even destroyed their organizations as well as those that relied upon them.

## **NORMLESSNESS HAS COME TO ROOST**

Our pioneering 1995 book, *Values-Based Leadership* (Prentice Hall), predicted this problem. It discussed how the culture of the workplace could not remain productive without a shared set of values and norms that would join employees and management together. Now, 12 years later, this “normlessness” has come to permeate business, government, and even sports. CEOs are knocked down by scandals and improprieties; politicians exchange morality for votes; and professional athletes are tarnished by the use of steroids. We need a new way of doing business and a new model of leadership. Most of

all, we clearly need to place far more attention on people, the most valuable “assets” and essence of any organization.

As leaders, we can choose to do business differently and still make profits. Jim Sinegal, the CEO of Costco Wholesale, the nation’s fifth largest retailer, leads with a different set of values. On average, Costco workers are considerably better compensated than their competitors, but good wages and benefits have contributed to low employee turnover. Jim states, “This approach is good business.” He is absolutely right. Bill Gates is another leader who does not fit the same outdated mold—and he sure hasn’t done too badly either.

We present a new model of leadership that is based upon leaders serving their constituents rather than the other way around. In so doing, a leader’s role is to foster a culture shaped by values and norms that helps maximize the potential and power of individuals within organizations. This new model cultivates multiple leaders, empowers individuals, enables them to be recognized and valued, and connects employees and managers by building strong relationships.

This “people business” is the next management frontier. We have all been through “quick-hit” management fads and programs—from reengineering to rightsizing to outsourcing. Today, however, loyalty is dead. Employees do not feel valued or secure; they feel overworked, overstretched, and overburdened. Rampant cost-cutting and downsizing continue to be viewed as “preferred” methods for increasing earnings. Most people predict this situation will only get worse. Some call it the “new normal”; others more accurately call it “dysfunctional.”

Our new leadership archetype offers a prescription—a new proposition—for organizations to change their culture as their leaders rebuild, rekindle trust, and renew faith in the workplace. It will inspire a new sense of personal hope by changing the way leaders behave, communicate, and energize people. Most importantly, it will infuse a new set of values and norms into organizations. As our new model of leadership encourages personal risk-taking, creativity, and flexibility, companies, in particular, will be better able to gain a competitive edge. As organizations and their leaders take time to figure

out their new form of leadership, the ones that adopt a new mind-set more quickly will emerge ahead of the pack.

Meg Whitman, CEO of eBay, exemplifies this new leadership archetype. Rather than the old-guard, command-and-control environment, she has strived to build a values-based community that integrates and links her customers to her employees. She believes in giving control to the community of users. Meg says: “we enable, not direct or mandate. We partner with our customers and let them and our employees take the company where they think it is best utilized. It’s a partnership.”

Procter & Gamble, under the leadership of A.G. Lafley, is a great example of a company that has reached out to developers, beyond the internal R & D staff. Lafley believes that forming outside “partnerships” with suppliers, vendors, and customers enables greater innovation to occur. He also believes strongly in listening to consumers on a frequent basis. By uncovering their problems, his company is able to create new products that solve them.

Even in companies where the often random and elusive stock market forces leaders to make rash decisions, our approach of lifting people up can work. It can empower a workforce, link it more closely to its customers, increase earnings, and boost morale.

## SUCCESS—GIVING VERSUS TAKING

Chris Zorich created a radically different model of success. He used his fame and fortune to build something he thought was bigger and better. What really happened to him, however, was something deeper and not so obvious. He listened to the small voice inside. He experienced an inner wisdom and wanted to share who he was at his core. Chris created a plan that connected him to a more meaningful career and in so doing started The Christopher Zorich Foundation aimed at helping the homeless. “I just had this burning desire to hopefully affect change on a larger scale,” he says.

At the same time, it is still perfectly fine to make money, generate profits, and acquire assets. The key is the way that goals are reached



and the value placed on them. Many average-income workers donate time, focus on giving to children and families, and help their communities. It's not about making money; it's about figuring out how best to make a positive impact. Of course, sometimes lots of money can be used for the good of mankind. Bill Gates and Warren Buffet, two billionaires, have decided to give back. Buffet is donating \$41 billion to the Gates Foundation. Their combined \$70 billion in assets will make quite a mark on world poverty, health care, and education throughout the globe.

In contrast, greed has prevailed within many corporate cultures. Gordon ("Greed is good!") Gekko, a character from the 1987 movie *Wall Street*, was a case of art imitating life. Success is all about stock price and earnings increases—not about doing what is right for the customers, employees, and shareholders. CEO compensation seems to grow every year. Yet the millions of dollars in salary that CEOs receive still have little to do with how the company performs.

Furthermore, as individuals we seem to measure our progress more and more by how well we are doing financially rather than what we are doing and why. We can hardly imagine a community of people who focus on helping and serving others and providing for the good of the community after their personal needs are fulfilled.

In short, square apples involve changing not only our leadership approach but our organizational culture as well, and changing how we measure success. Individually, we need to adopt a "servant mind-set" and balance more of our needs with the needs of others. In so doing, we hope to cut off the rotten parts in order to avoid further decay.

## REDEFINING SUCCESS

How do you define success? What's most important to you in your life? Is it a happy marriage, good friends, loving children, a satisfying job, meaningful contributions, or financial independence?

How does the organization you work for define success? Is it ever-increasing profits, higher stock prices, greater employee productivity, lower costs, or higher investment returns?

You can see the gap that exists: a disparity between employee happiness and management needs. Leaders have not traditionally focused on the human side of leadership. While organizations sell products, serve members, and provide services, they tend to neglect their most important asset: the people who work there. And yet, it is these people who get results within organizations. The “human advantage” is the best competitive advantage that a company or organization could ever have—but rarely is it viewed that way.

We need a new metric for success and a new leadership paradigm that positively impacts every employee and manager within any organization, while at the same time ensuring the success of the organization itself. This new metric will merge and enhance employee welfare, dignity, and happiness, instead of placing them in opposition.

The payoff of this new leadership construct will be a highly functioning organization that succeeds at every level, including increased profitability and better satisfaction of customer needs. That is the whole point. We can take a new people-oriented approach to leadership and still drive up stock price or build membership and value. The two are not only compatible, but mutually beneficial.

## A NEW WAY OF LEADERSHIP

Hank Greenberg, the former CEO of AIG who is currently under federal investigation, recently claimed: “A new world order of heightened scrutiny has arrived. We need to get tougher, demand more, and expect greater results from employees. CEOs need to take charge. The world has changed.” He is right. The world has changed, but not in the way he implies. He believes that we need more authoritarian-based, self-centered, and self-promoting leadership. Nothing could be further from the truth. The changed world of the 21st century has a dire need for a new kind of leader and a new form of leadership—a new model—with the sensibilities to meet the challenges in our social, business, and personal lives.

Here is the key point: Greenberg’s model of success did not include people in the definition of organizational success. He missed

the idea that people's lives are holistic and require a balance of job, family, community, and self. Recognizing and respecting this balance is lost within many companies and organizations today.

Our need for change requires a new archetype. The old management approach was to roll with the punches—don't express yourself emotionally because it meant you were weak. Distance yourself—be arrogant! The new leadership paradigm asks you to contribute your total self, express yourself emotionally, and show that you care. Add texture to your relationships so that employees and managers link and bond. Show personal warmth, pulling others in by listening and asking questions. This type of emotional communication builds a culture of caring within the organization. If leadership has this emotional depth, then their organizations can perpetuate a new enabling culture.

Many large contemporary organizations lack energy, passion, and loyalty. However, organizations can structure themselves and create a mind-set to provide a bridge to connect everyone through an effective shared leadership construct. The key ingredients of this new leadership mind-set are our six core qualities and the seven steps to change. We are confident that each of these new leadership qualities can demonstrably change the workplace and alter how we ultimately view success and failure.

Our 25 interviewees gave us thought-provoking and stirring responses. There were no canned answers. They shared candid and vulnerable insights on their inner lives, thinking processes, and personal values. We were moved, inspired, and energized by their thoughts on leadership. Each of the leaders interviewed was a pioneer in his or her field. As a result of their perspectives and personal definitions of success, a new meaning of leadership emerges. It involves a genuine interest in and caring for others, developing their qualities, and treating them with respect. The workplace becomes more like an engaged and supportive community, than a "work hard and get paid" treadmill. We now strongly accept as true that the new business frontier is just this—a caring group. Kindness, mutual respect, and passion are present. Differences are accepted and, in fact, nurtured. Not only does an employee's growth and development receive focus, but

the quality of their relationship with other employees also becomes a paramount concern. It is no surprise, then, that loyalty returns. We believe this emphasis on people will become mainstream.

This new workplace is a helping community, in which each member of a small nurturing group supports and calls out one another's genius by making themselves present and available in the group. The sense of empathy in a helping community encourages individuals to reach their maximum potential by having members nourish and elicit each other's strengths. It *is* like a family, a community, a closely knit team of people with mutual goals and vision.

Employees have the capacity to pursue individual growth and apply their own desires, enthusiasm, and skills to the workplace. This allows an individual to work at his or her optimal capacity, and have the freedom and creative fire to impassion the workplace.

Jack Riopelle, CEO of Wisconsin Film & Bag, suggests that a shift is to come: "I think most leaders need to exhibit the humanness inside them . . . that they are human, and that, at times, they are frightened to death. We are all on uncharted waters right now. I think employees need to see passion and compassion. I think employees need to see exhilaration. I think employees need to see laughter. I think employees need to see tears. I think employees need to see the humanness of the leader. And a lot of leaders have a very difficult time doing that. They put themselves in a box. They've got a three-foot shield around themselves. And they're not perceived as human. And I don't think that's a good thing." All 25 "square apples" would surely agree.