

Mind Your Business

Bill George: "It's All About Knowing Who You Are"



This column features business insights from a recent "Mind Your Business with Yitzchok Saftlas" radio show. The weekly "Mind Your Business" show – broadcasting since 2015 – features interviews with Fortune 500 executives, business leaders and marketing gurus. Prominent guests include John Sculley, former CEO of Apple and Pepsi; Dick Schulze, founder and Chairman Emeritus of Best Buy; and Beth Comstock, former Vice Chair of GE; among over 400+ senior-level executives and business celebrities. Yitzchok Saftlas, president of Bottom Line Marketing Group, hosts the weekly "Mind Your Business" show, which airs at 10pm every Sunday night on 710 WOR and throughout America on the iHeartRadio Network.

On a recent 710 WOR "Mind Your Business" broadcast, Yitzchok Saftlas (YS) spoke with guest Bill George (BG), former chair and CEO of Medtronic, on the re-release of his book, "True North."

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YS: What are your suggestions and techniques on how to deal with pressure as a leader?

BG: I started out my new book talking about learning who you are: Your "True North." Your life story. To learn where you came from, your crucibles, and to be proud and learn from those crucibles when all the pretense is stripped. You've got to stand there,

look yourself in the mirror, and say, "Who am I and who do I want to be?" Not, "what am I? What's my title? How much money do I have?" It's all about knowing who you are. And when you know that, when you're under pressure, you can stay true to yourself. It's tempting to get pulled off your True North. Some people get pulled off so far, they can never come back. One of them was a colleague of mine, Rajat Gupta, a great leader, who got totally pulled off course because of the pressure. His pressure was to make a lot of money. And so, he got involved in insider trading and went to jail, sadly, for two years.

You've just got to stay grounded in who you are. Before you go out and lead, you need to know who you are,

what your principles are in leading, and what beliefs you have. And then, you put those into practice with people.

How does someone come to the realization of what their True North is?

Well, in my book and in all the classes I teach, I actually tell people to first write out what they believe, their True North, and the difficult times, the crucibles that they've had. Because when things are going well and you're not under pressure, it's easy to follow your values. But what happens if you're at risk of losing your job? Or losing everything you've worked toward? That's the real test of a leader. Then I would recommend talking with someone, maybe a

spouse, a coach, or a mentor you have. I have a men's group where we talk it out. We use six-person groups in all my courses to just share openly who you are. And I think because you hear yourself telling your life story, you can be much more honest and open. That other people accept you for who you are and aren't going to reject you because you did this horrible thing when you were 12 years old.

Could you elaborate on this quote from the book, "First, you have to understand yourself, because the hardest person you will ever have to lead is yourself"?

That's the self that gets pulled off

because you're tempted. I got tempted back in my Honeywell days. I was eager to become CEO. I was on that track, trying to grab that brass ring, and I was losing sight of who I was. Finally, one day, I was driving home. I looked at myself in the mirror, and I saw a miserable person. Because I was losing it. And I went home and told my wife, Penny, my greatest supporter. And she said, "Bill, I've been trying to tell you this for a year, you just didn't want to listen." And she was right. I had turned down Medtronic three times for a job at that point. So, I talked to my men's group the next morning, and they encouraged me to reopen discussion with Medtronic, which I did. And it's the best thing I ever did. It opened the door to everything that happened over the 13 years I was there and for the last 20 years since I left. Because that was a company with mission and values, where I could lead with my heart and be who I was. Not just trying to be a numbers guy, to be an automaton, or run a big bureaucracy. But to really get in and create a great organization with great people who are all committed to the same goal of restoring people to full life and health.

How important is accountability in leadership?

In the old days, people didn't want to admit their mistakes. They were afraid they would be criticized. Today, we say vulnerability is power. When I admit my mistakes, then people that work with me can admit their mistakes, and we can solve problems. If you don't admit your mistakes, you wind up like Jeff Immelt did, trying to rationalize everything, never building a company, and, in fact, destroying shareholder value at GE.

You have to be willing to admit when you're going on the wrong track. When you offend someone, you say, "I'm sorry. Can we put our relationship back together?"

That's your job as a leader – to get out, be open with people, and then encourage them to admit their mistakes. One of the big problems that CEOs have is a lot of them don't know what's going on in their company. They spend 68%-70% of their time in meetings, and they never get out to their people. If you go out and talk to your people, you'll know what's going on. You get out and talk to people in your stores, on the production lines, in your labs, to see what they're working on. That's where the action is. It's not up in some meeting at headquarters looking at statistics.

Your book shares a quote from Howard Schultz: "The reservoir of all my life experiences shaped me as a person and a leader." Could you elaborate on that?

Howard Schultz is a man who really knows who he is. He grew up in the Bayview housing projects in Brooklyn. He came from very poor circumstances. He's never forgotten that. He still treasures that. That's why he treasures every person who comes into a Starbucks store. That's why he was so shaken when two black men were walked

Jobs, one of the greatest inventors of the former era. He got fired, then actually went out and processed for 5-6 years. He started a company called NeXT, worked at Pixar, and he learned a lot about himself. When he came back, he was a much better leader because he had failed before he learned about himself.

Could you walk us through the journey of "I" to "we"?

We all start out as "I" leaders. When you're in school, you're trying to get

"You're there to help everyone on your team reach their full potential."

out of a store in Philadelphia because of the color their skin. He said, "That's not who we are." He's tried to live his life story and the crucibles he went through.

I think that's true for all of us. We've got to know and process our own life stories and be proud of them. I spoke with a woman who came from Russia. She's not proud of what Vladimir Putin is doing. But she's very proud of being from Russia. She's an American citizen, as much as I am, but she's proud of her heritage. Why not? Why shouldn't we be? America is the great melting pot where people come together. Somebody said it's more like a mosaic than a melting pot because we all piece together. But if we have diverse people around us, we make better decisions – by having diverse people around us, but also by learning who we are through differences, not sameness. Not by surrounding ourselves with everyone who is the same as us.

Can you talk about turning failures into successes?

When things don't go your way, that's where you learn. That's the greatest learning. We're all going to get knocked down in life. But you've got to pick yourself up off the ground and come back. I think that's the key. I encourage leaders to get out and take risks. You might fail, but you'll be a much better leader if you can do that. If you try to be Mr. or Ms. Perfect, it's simply not going to work. You'll learn from these failures and come back really strong. Look at Steve

good grades, you're trying to make it in sports, and it's more about you. The same is true when you go off to college, or your first job, when you're an individual contributor and don't start out, it's in a big leadership role. I think the key, though, is you have to make that transition to realizing it's not all about you. It's all about the people on your team. That's your job. They're not there to serve you; you're there to serve them. Their job is not to help you get ahead, you're there to help everyone on your team reach their full potential. That's what a leader does – help everyone on their team reach their full potential. And if you do that, people are going to be very dedicated. They're going to know you care about them and go on to work with you. Sometimes, you have to challenge them. Other times, you have to help them. But that's your job as a leader. So, you have to make that "I" to "we" journey, which for many people can take even decades.

I had a colleague, Kevin Sharer, who failed when he left GE and went to MCI, and it was all about Kevin wanting to be CEO. Then he had to leave, and he was miserable. Then, he went out into the wilderness for a while and came back as the understudy CEO of Amgen and became a great CEO of Amgen. He did a fantastic job. But he made that "I" to "we" journey. I think we all have to go through that.

At the end of the day, leaders are judged by their financial results.

How does a leader balance that with being a mensch?

Long-term shareholder value, sustainable value, is not created by the CEO and CFO sitting down and figuring out how to manipulate the numbers to get the results that Wall Street wants. That may help you in the short term, but you'll never sustain it that way. I think the only way to do it is to create greater value for your customers than your competitors do. That's why Elon Musk creates such great value at Tesla; people love the cars. So, I think that you've got to create that value. Now, we need to understand much more deeply what motivates our employees. One thing I can tell you does not motivate your employees is telling them they've got to earn \$391 a share this quarter. No employee working on a production line, or in a research and development lab, is going to resonate with that. They resonate with creating value for customers. That's what motivates your employees. That's why you have superior customer service. That's why Delta's customer service is so much better than United's or American's. It's that kind of resonance that motivates your employees and gets them to come up with really innovative ideas and work with their hearts as well as their heads inside the company. So, that's how you create sustainable shareholder value. That's what we did at Medtronic. If it's like General Electric and our mission is making money, no one will resonate with that. That's why General Electric is basically out of business now. It's a tragedy. The world's greatest company is going out of business. That's what happens if you don't really focus on all your stakeholders, not just your shareholders of the last five minutes. ▲

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