

Book it: Best bets for board reading

From a roundup of new books, leadership insights on executive humility, CEO tone deafness, managerial development, the problem with pocket vetoers, and interweaving the work/life fabric.

‘That’s not the real story’

*From **How We Lead Matters: Reflections on a Life of Leadership** by Marilyn Carson Nelson with Deborah Cundy. Copyright 2008 by Marilyn Carson Nelson. Published by McGraw-Hill (www.mhprofessional.com).*

WOMEN MBA STUDENTS ARE HUNGRY to see models of female leadership — there are still so few. To address this need, I agreed to host a leadership series at the Carlson School of Management at the University of Minnesota called “Inside the Boardroom” in which I interview a female leader one-on-one.

I was fortunate to have as a guest Anne Mulcahy, one of the most lauded CEOs in American business, and for good reason. She did what several others before her had failed to do — turn around the beleaguered and iconic Xerox.

Anne was disarmingly candid during the interview, sharing thoughts and concerns that most CEOs keep

to themselves. She was a refreshingly rare example of business leadership.

In her new role, there was a lot to clean up. Anne recounted the story about the day she settled the SEC lawsuit against Xerox. As a result, the company hovered on bankruptcy. She knew the settlement would make the news the next day and

had braced herself for the fallout, but she never imagined the extreme effort it would take to respond to the media onslaught, bolster demoralized employees, and reassure customers and shareholders that Xerox would survive.

“At the end of this very long day,” she said, “I picked up a voicemail from a former colleague who said, ‘Mulcahy, you know that what you’re reading in the press doesn’t accurately reflect Xerox or you. That’s not the real story. But here’s the other piece: You’ll get through this, and when you do, you’ll read a story about how you turned Xerox around. Just remember, that’s not the real story either.’”

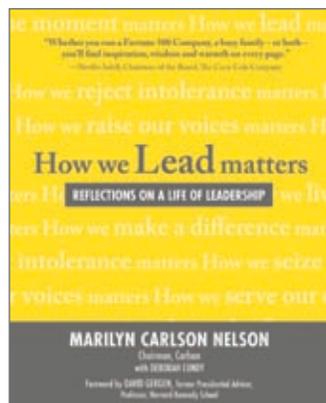
Marilyn Carson Nelson is chairman and CEO of Carlson, a global group of companies providing travel, hotel, cruise, restaurant, and marketing services (www.carlson.com). **Deborah Cundy**, an assistant dean at the Carlson School of Management, has worked with Marilyn Carson Nelson for nearly 20 years as a former vice president at Carlson and speechwriter.

He was the CEO, so everyone laughed

*From **Making Your Point: Communicating Effectively with Audiences of One to One Million** by David Bartlett. Copyright 2008 by the author. Published by St. Martin’s Press (www.stmartins.com).*

THE ABILITY TO TELL FUNNY JOKES is a gift. Most people just don’t have it. Just because your friends and colleagues tell you your jokes are hilarious doesn’t guarantee that an audience of outsiders will agree.

When he was CEO of the Walt Disney Co., Michael Eisner once appeared on NBC’s “Today” show to talk about Disney’s

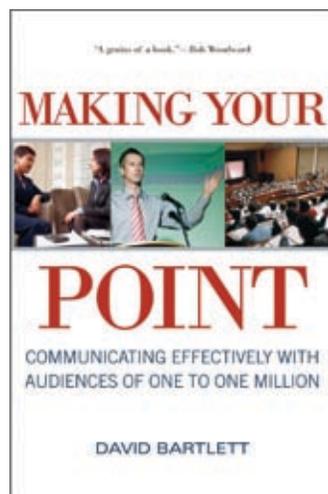


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new animal park in Florida. This park featured lots of live animals, and it quickly became the subject of a raging controversy that pitted the company against animal rights activists. “Today” was broadcasting live from the new animal park on opening day. It was strictly a promotional exercise. It wasn’t a hard-hitting investigative report.

But when it came time for Eisner’s live interview, his performance was very strange indeed. He came to the interview with a defensive, even hostile, attitude. He made it abundantly clear just how annoyed he was that anyone would possibly question his company’s good intentions. It was obvious that he was wasn’t well prepared to deal with the inescapable fact that some animals had indeed died as the park was being prepared for opening day.

The interviewer in the segment was Katie Couric, not someone known for tough interrogations, and none of her questions came close to being hostile. If Eisner had played along as the producers expected he would, the interview would have ended up as just another well-orchestrated opening day promotion. But for some reason Eisner decided to make a joke about the dead animals. He went out of his way to remind a



visibly surprised Couric that “every animal in this park will die eventually, and so will all of us.” True enough, but under the circumstances not at all an amusing line. The joke fell flat.

It is impossible to know for sure what possessed such a smart guy to do such a dumb thing on national television, but I do have a theory. Knowing that the accidental deaths of some of the animals in the park was in the news and that the animal rights activists were already

using the story in an effort to embarrass Disney, Eisner and his communications team correctly anticipated that he would get asked about it, even though the overall interview was intended to be light and promotional. During a communications strategy session someone probably made a joke about how foolish and unrealistic the animal rights activists were acting. That may have led Eisner to try out the line about dead animals on his team.

Because he was the CEO, everyone probably laughed. That led Eisner to conclude, incorrectly as it turned out, that his joke about dead animals would work well with a national television audience as it had with a bunch of Disney executives who were being paid a lot of money to say yes as soon as the boss was finished talking. That turned out to be a very bad mistake.

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How EMC’s CEO quashed the ‘pocket veto’

From *How the Wise Decide: The Lessons of 21 Extraordinary Leaders* by Aaron Sandoski and Bryn Zeckhauser. Copyright 2008 by the authors. Published by Crown Business, a division of Random House Inc. (www.randomhouse.com/crown).

EVEN IN A CULTURE OF CANDOR, people can still stymie implementation simply by putting their hands in their pockets, quietly refusing to execute a decision. Wise leaders prize employees who persuasively argue their opinions before a decision is made, yet who can abandon internal politics and come together as a team to implement the final choice. An essential task in achieving this is to eliminate the “pocket veto.”

The term pocket veto comes from politics, where a pocket veto is the indirect rejection of a bill by the president of the United States. The U.S. Constitution gives the president 10 days (excluding Sundays) to review and sign a piece of legislation once Congress has passed it. If the president chooses not to sign the bill into law within those 10 days, and Congress adjourns during that time, the bill automatically dies.

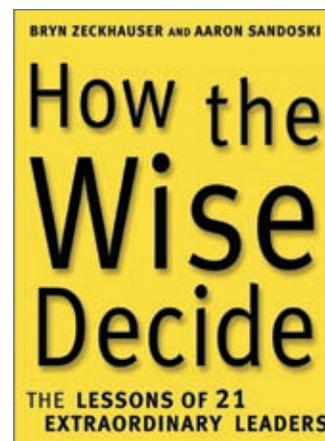
The pocket veto can be an equally powerful tool in business. A member of your team can hear your final decision and then quietly undermine it through inaction. Mike Ruettgers ran into that problem when he was CEO of EMC.

“For a while we had a problem with pocket vetoes,” he recalls. “I would make a decision and announce it and a few of the participants would walk out saying to themselves, ‘I don’t care what Mike thinks, I’m not doing that.’”

But Ruettgers found a solution. After he announced a decision, he would go around the room asking each person individually if they intended to pocket veto his decision.

“We would essentially ratify the decision by going around the room and asking, ‘Are you comfortable with this? Okay?’ In many cases, because you know from past experience that some of these people are pocket vetoers, you might ask them directly, ‘I’m not going to see a pocket veto on this, am I, from you?’ Then they finally have to say, ‘Yes, I’ll go along with it.’ And once they do that, it becomes pretty much impossible for them to go and do it after they committed not to do it.”

Mike Ruettgers knew who the pocket vetoers were in his organization and found a way to co-opt them into supporting his decision even if they didn’t like it. He knew the power of



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