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## A Businessman's View of Our Mission

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## CHRISTIAN COLLEGE COALITION WASHINGTON, DC TUESDAY, FEBRUARY 5, 1991

## "A BUSINESSMAN'S VIEW OF OUR MISSION" C. WILLIAM POLLARD CHAIRMAN AND CEO THE SERVICEMASTER COMPANY DOWNERS GROVE, ILLINOIS

Several months ago, I participated with Peter Drucker in a seminar held in Japan for health care and business executives. My assignment was to talk about the effective executive of the 90's. I was reminded then, as I have been during the past few weeks as a result of the events in the Mideast, of the fast pace of the world around us.

There may no longer be such a thing as a strategic long-range plan for the future. The issue is far more basic and pragmatic. The survival and success of any organization may well be more dependent on its flexibility and adaptability than its planning. Accelerated change and diversity of thought and behavior, or what we sometimes refer to as pluralism, is the order of the day.

In this type of environment, traditions and past practices may have little value. However, stability and direction for an effective leader and the organization he or she leads will continue to depend upon a "belief" that does not change. For beliefs to become a reality in the operation of any organization, leadership must not only state the beliefs and make them an integral part of the mission and purpose, but also must provide an example and maintain a continuing expectation for people of the organization to follow and adhere to that belief and mission.

As I come to this conclusion, I do so not as an expert in higher education, philosophy or theology. My thoughts are shared from the perspective of a businessman--a Christian businessman who has had the privilege of being educated at a Christian college. One who starts with God and is at this starting point because of a continuing personal faith and trust in the redemptive work of God's son, Jesus Christ; a businessman who is

responsible for leading ServiceMaster, a public company with revenues in excess of \$2.5 billion, serving over 1300 health care facilities, 500 colleges and universities and public school districts, and 100 major industrial facilities; and providing a variety of specialty services to over 3.5 million homeowners; a Company that has experienced 20 consecutive years of growth. A company whose future and survival is dependent upon over 45,000 people, most of them located in the customer's environment, doing what is right in providing a quality service. There is much about our business that may be classified as routine or mundane, and we are often dealing with people in entry level positions, unskilled, many times uneducated, and more often than not unnoticed. The task before us is to train, motivate, and develop people so that they will do a more effective job, be more productive in their work, and--yes-even be better people. This is both a management and a leadership challenge. For many of us in ServiceMaster, this challenge is more than a job or means to earn a living. It is, in fact, a mission, a way of life. Our company objectives are simply stated: to honor God in all we do, to help people develop, to pursue excellence, and to grow profitably. The first two objectives are end goals. The second two are means goals. We seek to implement these objectives in the marketplace. An environment that requires tolerance of diversity; inclusion of those who may not agree or understand our starting point. But also an environment that needs above all an absolute reference point and standard for that which is right and good.

We are a learning environment, one that must be flexible and adapt to our customer's changing needs and wants and unique personality of organization. In this mode there will be mistakes, and in the absence of grace there will be no reaching for potential. But with all this change and growth our objectives have remained the same. They provide the glue for unity with diversity. The melody and harmony.

But what of the future, this future of accelerated change and choice? How will it affect you and me, the organizations we lead, the mission and purpose of a Christian college, its relevancy to a world of increasing diversity of thought and behavior and economic and political dependency?

Here are just some of the forces that are already upon us.

The graying of America. The fastest growing age group are those 75 years and older. There has been and will continue to be a major change in the

traditional family unit. By the year 2000 only 7 percent of the population will be made up of the traditional Norman Rockwell family. At least two jurisdictions now permit marriage of the same sex. Cohabitation without marriage continues to increase; over 2.5 million couples were so classified in 1990. The percentage of children born to unwed mothers has grown from 5 percent in 1960 to over 25 percent in 1990.

Over 40 percent of white children today come from single parent homes. Sixty percent of black children come from single parent homes.

Twenty percent of all our children in the U.S. live in family units with income levels below the poverty line. This reality of poverty seems to be one common factor throughout the world. The women and the children are the hardest hit.

Health care costs in 90's will continue to escalate and access will be a persistent problem. The question raised by Victor Fuchs over twenty years ago is now a reality: "Who shall live?" With the added dimension of how long shall we allow someone to live?

Education costs will continue to grow at a higher rate than inflation, with increasing questions about the value of private higher education being raised by students and parents. The 90's may well represent a continuing reduction in availability of the traditional college student. The combination of demographics, high cost, the present dropout rate and increase in minorities are some of the factors influencing this potential result.

Entrance into the labor force will be dominated by women and minorities. Over 47 percent of the labor force will be made up by women in the year 2000 and 26 percent by minorities.

At present trends there will be a growing gap between the educated and uneducated. In the city of Chicago, for example, the dropout rate among high school teenagers in some areas is higher than 50 percent. Yet the economic opportunities in 90's will be for the so-called knowledge worker, as we continue to move to an information-based society. This opportunity gap has a potential of generating an ever widening economic gap between the haves and the have-nots, with the further potential of major social unrest or explosion if this trend is not corrected.

Continued technological advances and increased access and the free flow of information will expand the choices we have. No longer will it be possible for a totalitarian government to control information from its people. The changes and choices in Eastern Europe confirm this reality. However, as the result of more information in a high tech age, we are facing choices we have never faced before. Life and death choices. Choices about population growth, environment, pollution, yes, even mind pollution.

Think about what we have been exposed to in the past few weeks. Minute by minute, hour by hour, up to date information on the war. Within hours after the first strike, millions of people around the world had information and access to what was going on. Opinions, moods of whole nations were influenced, changed. First from great fear and apprehension to confidence of victory and then to the reality of the pain and suffering of casualties and death. We live in an information-based society. Information that keeps whetting the appetite for more and more and more.

The telephone on the kitchen wall that at one time was used only for oral communications now can be turned into a computer to tell me electronically what my bank balance is, how many checks have been processed. It can give me the ability to pay bills. It can be turned into a fax machine so that now I can communicate written words as well as spoken words. I can take my PC laptop and tie into famous libraries all over the world and have access to information that heretofore was only possible if I went on location. I turn on my television and there are over 50 choices within seconds of what I want to watch, or tape, or video.

This increase in availability of information also supports the growing reality that people desire a greater participation in decisions that affect their welfare and future. In the work environment, people are being given a greater flexibility of hours. [Here cite school experience of ServiceMaster.] Even in schools students are having a greater role in determining the rules and what is being taught. [Here cite Norfolk example.]

There are also changing economic forces, domestic and global, that are affecting our lives. The forces of the free market in the past few years have revolutionized the balance of power. Consumer demand seems to flow with increased democratization. The resulting economic uncertainty in Eastern Europe and the Soviet Union and the shifting priorities in resource

allocation has a very long runway before there is stability. The short term may have more downs than ups.

In the world economy, America is no longer dominant. A comparison of the leading banks in the world now versus ten years ago tells some of the story. Among the 100 largest banks, only 9 of them are American; 33 are Japanese; 12 are German.

There has also been a significant change in ownership patterns. In the U.S. we have experienced a major increase in foreign ownership. The Japanese have received most of the public attention, but British ownership has grown at a faster pace and the Germans are not far behind. Thirty percent of the commercial real estate in downtown Los Angeles is now owned by the Japanese. Thirty-six percent of the commercial real estate in Hawaii is owned by the Japanese. Overall since 1980 there has been a 600 percent increase in foreign ownership in the United States.

Apart from this trend of foreign ownership, there has also been a growing trend in corporate America for divorce of ownership from control. The stock market today is dominated by institutional investors, ranging from 70-80 percent of the active market and still growing. This growing separation of management control from ownership with resulting lack of communication and responsiveness has been one of the root causes for all of the takeover activities in the 80's. The resulting dislocations have put a new uncertainty in employment, in the job market. If this instability continues to increase, we may well have more initiatives for legislative correction, legislation that will seek to give more security to employment or require larger termination benefits. Such legislation may even require employee representation on the board of directors of corporate America. In any event, I am sure that everyone in this room has been either directly affected or has a friend or relative who has been affected by a financially troubled employer or by an employer than has been merged or acquired out of existence.

The globalization of our economy means that we are increasingly interdependent as peoples of the world. You cannot just "buy American." We have a policy in ServiceMaster to buy only American automobiles; however, most of the steel in a U.S. car today is imported. The robots that put it together were made in Italy or Spain. A main reason why we have been able to grow in the 80's and to advance our technology in both defense and the domestic area, with a relatively stable interest rate, is because foreign

investors have played a major role in financing our national debt.

With expanded global free market forces, we will be facing increasing challenges regarding resource allocation. The free market left unregulated often allows for pockets of accumulated wealth. The so-called Third World is not equipped to compete in a world market. In many underdeveloped countries, there is a growing informal economy. In Lima, Peru, for example, over 80 percent of the public transportation is conducted by illegal carriers. Real estate is not bought and sold. It is occupied by an informal group of the so-called underclass. Decisions of survival continue to be made even though not officially recognized by the government.

In a nation state, there are mechanisms for allocation of wealth including taxes or subsidy payments, but in the world there are no such mechanisms or effective tools, for distribution of wealth except possibly multinational corporations.

The fragile balance in our ecology and environment is another reality of our growing interdependence. A meltdown in the Soviet Union cannot be limited to a political border. Air and water pollution knows no nationality. Tropical rain forest deforestation has more than doubled in the past 10 years, affecting geographical areas the size of Florida and Maine put together. It not only affects the ecology of the local area, but has a growing impact on the quality of the air we breathe.

The growing awareness of the stewardship responsibility we have in the world that God has created is a popular theme. It sometimes, however, produces results that seem incongruous. Today, for example, we no longer have the choice of how we want to dispose of our garbage. We must separate the cans from the papers. No one questions about whether this is a right or a privilege. It is wrong if we don't separate. I might even be fined. However, our society also seems to accept that the right to reject or to dispose of an unborn child must be protected, preserved and available on demand. Does the restriction of one and the freedom of the other make any sense?

With this world of increased change and choice, what is to govern or limit the freedom of choice? For some, choice has become God. And then how do we make the right choice? Where are the standards? The absolutes or immutables?

The world, our country, our state, our workplace, our potential student body is becoming more diverse, less susceptible to clear lines of definition. There is a growing pluralism.

With more diversity in age, behavior, and culture of the people who make up the potential student body of your institution, will you become more inclusive or more exclusive in the 90's? You won't be able to maintain the status quo. The changes and choices of those coming to you will force a decision.

With increased access to information, potential scope and range of inquiry, compounded by diversity of thought and culture, will the curriculum and those who teach it become more tolerant or intolerant? And as a Christian College faces such an issue it must always remember that to maintain those coveted academic credentials and accreditations you will not be the only one to decide. Will that growing diverse and pluralistic and secular academic community view you as one that educates or indoctrinates?

Let us take, for example, your admissions policy for the 90's. On a relative basis, will you be more flexible and adaptable and inclusive? Or more traditional, fixed, and exclusive? What is the appropriate academic minimum if you want to include minorities or students from other cultures, students other than the white, middle class America? What about the so-called at-risk child or the student who is older? What should you require in the way of the formation of beliefs before admission? Is there a denominational or theological standard for a student to be admitted? Is there some evangelical norm that is the standard? Or do we include students who have yet to form their belief, who may even have a contrary belief? Mormon? Or Muslim? One of the greatest new educational market opportunities today for U.S. colleges is the education of young students from Japan. Do they fit in your environment?

And what will you require of a student's behavior? Will dress, dance or even alcohol be the issues of the 90's? Or will abortion, sexual preference, cohabitation, and AIDS be a greater part of the behavioral issues you face?

And what is your response to the information explosion in the education environment? Are there any out of bounds or off limits for inquiry,

especially when tools of TV, video and computers provide instant access to information that can both benefit or pollute? What will be the tolerance permitted within your curriculum in this Post Modern era? In a world of deconstruction theory, how do you determine when there is an acceptable level of meaning? If standards are to be set and definitions adhered to for a special statement of faith, will there be a common, acceptable meaning and understanding among the faculty as to what the words mean or in Hirsh's terms will it be like a picnic where the author brings the words and the reader brings the meaning? Is the Bible inerrant or trustworthy? Do we need professors in biology, economics, bible and physical education all to agree on the timing of Christ's return or the time period of creation? Will more tolerance dilute the uniqueness and difference of our belief? If you don't limit, exclude and protect, will you lose the reality of a "Christian" college?

How will you provide for more student participation in what is to be taught, in what faculty members are to be promoted, and in who serves on your Board of Trustees? Will you be able to accommodate a change of more student participation or will it be "off limits" for a Christian college?

All these questions seem to direct us to the focal point of your mission and purpose. The world, not just the town or city you are located in, not just the denomination of your roots, not just that illusive constituency needs your involvement, needs the product of your education. This is a time for each of you to review and refine your "belief," focusing on the essentials, disregarding the non-essentials, providing a clear and simple statement of your mission. The world needs committed Christian graduates who know what they believe and what they would die for, who are committed to apply and live their belief where they are planted, who recognize and support the sanctity of life and the dignity and worth of every individual created in God's image and who maintain a quest of inquiry, knowing that all truth is God's truth and that learning is a lifelong experience.

In the beginning was the Word, and the Word was with God and the Word was God...and the Word was made flesh and dwelt among us. God cared enough to be involved.

You are Christ centered institutions of learning. But as such, in the 90's more than before, you will be changed and you must also reach out to include more, tolerate more, and educate more.

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Rev. 2/6/91 - RR