October 1st, 2014

Outline for InterAct and Other Talks and Teaching Lessons - Outline of The Tides of Life Chapters 4, 5, and 6

C. William Pollard
Chapter 4: Forks in the Road
Choices that may include a way less traveled.

Read Poem – page 109

Ask questions:
   a. How many have made a change in their job in last 5 years?
      (How about experiences in the job changing – growth and SVM experience.)
   b. How do we make these choices for
      1. A spouse
      2. A job or career
      3. Where we will live.

1. My Story
   -- Marriage
   -- Law school
   -- Law firm
   -- My own firm
   -- Wheaton College
   -- SVM
     - A way less traveled –
     - Partnership
     - 3rd growth curve
- Educational Food Service
- God’s hand on the tiller
  -- Choosing with Eternity in view

**Decision Making**
1. Is there a fork in the road?

2. A commitment to implement
   (good decisions are made good by what you do after the decision is made)

3. God’s hand on tiller
   -- Choose with Eternity in view – KNH story – page 122

4. Bury the dead

Leadership has only one choice to make – to lead or mislead.

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Chapter 5: The Awesome Responsibility of Leadership

-- A leader has only one choice to make – to lead or mislead.
  - Who wants to be a leader?
  - Who do you want to be a leader?
  - How many leaders are there here today?
  - Why do people want to lead?
  - What are the essentials for leadership?
    a. Title and position
    b. Authority
    c. Followers

1. **Drucker** – Leadership is not something in and of itself that should be sought after
   -- Leadership is just a means -- to what end is the question?

2. Leadership is about a direction – a result that is meaningful – Importance of purpose – Know what you believe and why you believe it – Know where you are going and why it is important for people to follow – People work for a cause not just a living.

3. Leadership is about assuming the responsibility for the people who follow – For what they should and are doing – For who they are becoming.
   -- Story of SVM leader posture of indebtedness
   -- Skin in the game – ownership of a result

4. Leadership is about serving those you lead – (story of Jesus and His disciples) - - (story of my hiring at SVM) – “Never ask someone to do something you are not willing to do yourself”
   – Setting an example for others to follow/personal and public life.

6. Leadership is about trust and transparency – Acknowledge mistakes/seek forgiveness

   -- Morgan  -- R/Q Story

7. Leadership is about knowing what is right and doing it – Knowing what is wrong and avoiding it.

   -- open office – open mind
   -- wrong to deceive or withhold material information
   -- compensation – fair distribution of results
   -- truth of what I say told by what I do – trust is exceeding customers expectations
   -- know your ultimate source of authority – when there are no rules
   -- assuming responsibility for developing the firm as a Moral Community
     for development of human character
     - story of Investment Banker in N.U. selling securities

8. Leaders must be able to define reality

   -- Know your scope of responsibility at the margin
     e.g. where the service meets the customer!
   -- Know your profit at the margin
     Marginal revenue / marginal cost curve

   -- Know the reality of “growth” expectation
     - Warren Buffet story about SVM unit only projecting 8% growth
-- Promote and encourage -- Innovation!
- Story of Steve and Rich – Educational market
- organized abandonment
-- Learn to resolve the crisis situations
  Story about when I came back to CEO position -- of goodwill lawsuit

9. Leaders need someone – outside the organization they can talk to to get advice from – the role of Drucker in my life (the priority) – God -- Billy Graham story (Bible open) – Risk of professional consultants

10. Leaders need to make good decisions
-- Know the facts or the perceptions
-- Wait for conflict or difference of opinions
-- Build into the decision the means of implementation (key to success)
-- Generic decisions have more than one answer
  Remember you can’t delegate the responsibility for the ultimate result – Don’t hide behind a scapegoat.

11. Leadership is about the people that follow – the direction they are going, the effectiveness of what they are doing, and who they are becoming – A leader must know what they believe, where they are going, and why it is important for people to follow.

C.S. Lewis – “There are no ordinary people. You have never talked to a mere mortal. Nations, cultures, arts, civilizations – these are mortal – their life is to ours as the life of a gnat. But it is the immortals whom we joke with, work with, many snub and exploit.”
The Christian leader has the responsibility to raise the question of God so the people that follow understand the choice they have to accept or reject His redemptive love.

Read quote from page 144.

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Chapter 6: The Battlefield of the Market, Mind, and Soul

Ships are safe in the harbor, but that is not what ships are built for!

-- A market driven economy has proven itself to be more effective and productive than any other economic system – The engines that drive it are “competition” and “profit.”

1. Profit: is it a virtue or a vice?

   [ END GOAL OR MEANS GOAL ]
   - As an end goal it can feed the poverty of the soul.
   - As a means goal it can provide the required capital to create jobs, innovate, build for the future, and create a greater multiple of value.
   
   At SVM: $.06 we invested -- $1 of revenue + .03 cents after tax profit
   
   For every dollar in profit we created $20 in value.

2. Is there anything in common between God and Profit – Wall Street

   -- i.e. people -- ServiceMaster Objectives

3. Can the business firm produce needed goods and services for a profit, create wealth for its shareholders, and also become a moral community for the development of human character? See page 150 – read

4. The future will be more dependent upon the development of human capital than financial capital.

   -- See Robert Fogel
   - Lack of distribution of spiritual assets void in development of the character of people.

Is there room for God as a source of moral authority? The common link between God and profit – when it is not there you have the example of George Zoros – the poverty of the soul.
-- For him the market and making of money was a moral – no room for God.

Tell story of George Zoros’s early life in 2nd world war – Hungary –

See page 155

-- See Chick-fil-A example and Dan Cathy voice – Hobby Lobby Case

5. What is the role of faith in the public square?
   -- Tell story of Harvard student’s reaction to SVM objectives and my response.
   -- Comment on current situations in England
     - George Casey book – We don’t do God here

6. What did Jesus say  -- Page 158
   Page 160
   Page 161
   Page 162
   Page 163
   Page 164

7. What does it mean to have the business firm as a moral community for development of human character?
   (a) Must be inclusive and encourage search for truth.
   (b) Recognition of treating people as subject of work not object of work.
   (c) The process of learning a lifelong experience.
   (d) Place a high value on a job well done – serving the customer with excellence is “Truth”.
   (e) Recognize the value of family as the basic spiritual, economic and social level of society and encourage the development of the family of workers.
   (f) Recognize the value of covenants and commitments as the basis for the combined efforts of people – THE value of a kept promise.
   (g) Recognize the importance of Stewart leadership
- never ask someone to do something you are not willing to do yourself
- listen and learn before you talk
- to walk the talk
- not to be caught up in perks of office

(h) Be givers and not takers – people must have the opportunity to own the results of the firm

(i) The importance of truth and transparency in our dealings with each other

-- Leaders must learn how to lead but not break
  - Story of Japan opening exercise
  - What are the end results – the changed lives of people
  - End with story of John – special needs person

Matthew 25:40

-- We have a ship to sail – it doesn’t belong in the harbor – for the Christian they can be assured that as they sail in the battlefield of the market mind and soul, God if he is invited to do so, will have a firm hand on the tiller.

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