October 20th, 1997

The Leader Who Serves (Scottsdale, AZ)

C. William Pollard
I count it a special privilege to be with you today and also the opportunity we have to serve many of your hospitals. As Baptist hospitals, you represent faith-based organizations that over the years have consistently provided that added dimension to our healthcare delivery system. A dimension of mission and purpose that extends to the spiritual welfare as well as the physical welfare of your patients. A recognition that it is the whole person that you are serving.

In one of his many essays defending and explaining our Christian faith, C. S. Lewis, the famous writer and scholar from Oxford University concluded: “Nothing seems more obvious than that religious persons should care for the sick; no Christian building, except perhaps a church, is more self-explanatory of our faith than a Christian hospital.” But is that statement made over 30 years ago still relevant today? Does this added dimension fit as part of “managed care” or to put it in more earthy terms, can you continue to squeeze the turnip and still keep the light on (who are you and what do you want)?

In response to that question, I want to share with you today some thoughts on leadership, leadership that is value driven and service focused; leadership that develops the soul of the organizations we are responsible to lead. Leadership that cares for the people serving and
the people providing the service.

Several years ago, I was asked to participate in Peter Drucker’s 80th birthday party. My assignment was to speak about the characteristics of an effective executive for the 90s. My task seemed larger than life, especially in view of the distinguished audience and my respect for the wisdom of my friend and counselor, Peter Drucker. My talk centered on the people being led, not on the leader. And the reality that the 90’s would be a period of accelerated change and choice. We would have to be more aggressive in making change in order to manage it – more flexible and adaptable in meeting the needs of our markets and accepting the reality that the only thing certain about tomorrow was that it would be different than today. But I also pointed out that the people in the organization who were leading were not built for rapid and continuous change. In the absence of a mission and purpose that transcended change and that cared and nurtured people there would be significant discontinuity, dislocation and uncertainty.

So seven years later where are we? In the business community, we often try to put a positive spin on change by using words such as re-engineering, restructuring and reinventing. In health care, it may be HMO, managed care, health care networks, mergers or consolidations.

For many of the people we lead, however, all this change simply means the fear of the unknown, the fear of not measuring up, or even the fear of losing one’s job. Fear can be destructive, demoralize a team, a work force, it can defeat any organized effort of otherwise
effective people.

For me change has come at a more rapid pace than I anticipated. For most of it has been a tornado of change and choice, and yes, some fear?

In this environment, should a business firm serve merely as an efficient unit of production for quality goods and services or should a health care institution be measured simply by the efficiency of administrating its case mix - the economies of scale it can achieve through a consolidation or merger? Or can the organizations we lead also become moral communities to help shape the human character and behavior of our employees and also to serve our customers and patients with that special touch of humanity?

At a time when other mediating structures of our society like the family or the community are under siege, can organizations represented in this room serve as a stabilizing force. A community that is focused on the worth of the person. A community with a soul.

I believe that in times of uncertainty, there is opportunity for positive direction provided there is leadership with a vision. Leadership with a conviction of purpose and mission. And, I also suggest, leadership with a servant’s heart.

Will the real leader please stand up. Not the president or the person with the most distinguished title or the longest tenure, but the role model. Not the highest paid person in the group, but the risk
taker. Not the person with the largest car or the biggest home, but the servant. Not the person who promotes himself or herself, but the promoter of others. Not the taker, but the giver. Not the talker, but the listener.

It was Socrates who stated that a person should first understand oneself as a means of making contributions to others. **Know thyself was his advice.** Aristotle counseled his followers, to use one’s talents to the utmost, one must have discretion and direction. His advice was “**control thyself**”. Another great thinker suggested service to others, especially those you seek to lead. “Give thyself” were words spoken by Jesus as he washed his disciple’s feet. In so doing, he taught that no leader is greater than the people he or she leads. And that even the humblest of tasks is worthy for a leader to do.

Does this example fit into today’s world two thousand years later? There is certainly no scarcity of feet to wash and towels are always available. The only limitation, if there is one, is with the leader. Are we willing to be on our hands and knees, to compromise our pride and status, to be involved and to have compassion for those we lead and those we work with and those we serve.

Now as I ask these fundamental questions about leadership and about the future of our organizations, I do so not as a philosopher or educator, political or religious leader, but simply as a business person. Someone who is seeking to lead with my partner, Carlos Cantu, a fast-growing, dynamic service company that we call ServiceMaster.
We have experienced rapid growth over the last 25 years, with system-wide revenues now in excess of $5 billion. We employ or manage over 230,000 people and our services are provided in the United States and 34 foreign countries. We are a public company with our shares listed and traded on the New York stock exchange. And yes, I live in one of those pressure cooker environments where earnings and profits must be reported quarter by quarter,. The shareholders that Carlos and I are responsible to as leaders, vote every day on our leadership - they have the choice to buy, hold or sell.

But what I am suggesting to you today is, the measure of our success as a leader is not just in the value of our shares or the profit we produce. It more importantly relates to the people we work with and serve. People who are looking for opportunity. People who are looking for leadership. People who are looking for service and for providers they can trust.

Although most of my experience has come from the marketplace with its own litmus test of the bottom line. There are certain principles, people principles if you will, that are universal. That are also by the way cross-cultural. They apply to any organization of people working together whether that organization is a business, an educational or healthcare institution.

Much of our business may be classified as routine and mundane. We do such things as clean toilets and floors, maintain boilers and air handling units, serve food, kill bugs, care for lawns and landscapes, clean carpets, provide maid service, repair home appliances. We too
have also developed and offer a group of professional services that include management of long-term care and assisted living centers, home health care, pharmacy management and healthcare-related architectural and development services. We serve in over 5-1/2 million homes, 1,500 hospitals and 500 educational institutions. Over two-thirds of what we are doing today we were not doing ten years ago - we are an organization in constant change.

The task before us is to train and motivate people to serve 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. In ServiceMaster it is more than a job or a means to earn a living. It is, in fact, our mission of developing the soul of the firm.

The headquarters of our firm is in a low, long tan-colored building in Downers Grove, Illinois, just west of Chicago. When you walk into the large two-story lobby on your right is a curving marble wall - 90 feet long, 18 feet tall. Carved in the stone of that wall in letters 8 feet high are four statements that constitute our objectives:

To honor God in all we do;
To help people develop;
To pursue excellence; and
To grow profitably.

If you were to tour the rest of the building, you would notice that nearly all of the work spaces are moveable. Most of the walls don’t
reach to the ceiling. Practically everything in the building is changeable and adaptable. Just like the marketplace we serve with its changing demands and opportunities. But the marble wall conveys a permanency that does not change. The principles carved in this stone are lasting. It is our mission statement - short enough to remember - controversial enough to cause one to stop and think - and significant enough to be timeless.

The first two objectives are end goals. The second two are means goals. As we seek to implement these objectives in the operation of our business, they provide for us a reference point for seeking to do that which is right and avoid that which is wrong.

We do not use our first objective as a basis of exclusion. It is, in fact, the reason for our promotion of diversity as we recognize the differences, potential, and worth of every individual.

It does not mean that everything will be done right. I realize that this audience includes some of the customers we serve and some customers we no longer serve that you know we experience our share of mistakes, but because of the stated standard and reason for that standard we cannot hide our mistakes. They are flushed out into the open for correction, and in some cases, for forgiveness.

Nor is it a standard that should be used as a simplistic reason for our financial success. It cannot be applied like some mathematical formula. It is a living set of principles that allows us to confront the difficulties and failures that are all a part of life and running a business
with the assurance that our starting point and mission never changes.

In a diverse and pluralistic society, some may question whether our first objective belongs as part of a purpose statement of any public company or organization. But regardless of a person’s starting point, the principle that can be embraced by all is where it leads us and that is to the dignity and worth of every person. It can become a living principle in the mission of any organization. It is fundamental to the understanding of serving as you seek to lead – of motivating people to serve and care as they also seek to become more effective and productive in their work.

So for us, people are not just economic animals or non-personal production units. Every person has their own fingerprint of personality and potential. And we believe that the work environment can become a place where the spirit and soul of a person is enriched by what they do as they learn, serve and contribute to others. And yes, when it does happen, there is the potential for extraordinary results in serving customers and patients.

Frankly, when you view the person as only a production unit or something that can be defined solely in economic terms, motivational or even incentive schemes have a tendency to become mechanical or manipulative. In so doing, there is a drive to define a system that will idiot-proof the process which in turn can make people feel like idiots. Fortune Magazine recently described the soulless company as suffering from an enemy within, and sighted Henry Ford’s quote as descriptive - “Why is it I always get the whole person, when what I really want is just
a pair of hands?”

As we recognize the importance of dealing with the whole person, we are seeking to link the performance of a task with the development (not just training) of a person and in so doing we recognize that we are responsible for what is happening to the person in the process. What are they becoming in their work, as well as what they are doing in their work? Is the task as defined, the tools as designed and the training as provided, contributing or detracting not only to the work but also to the worker? These questions force a self-energizing and correcting process that is never over and is the basis for our quest for continuous improvement in how we serve.

For servant leadership to become a reality in any organization, leaders must first be prepared to walk in the shoes of those they lead. In ServiceMaster this means that as part of leadership training, we should experience what it is like to do the hands-on service work and to feel the emotions of those I’m going to lead and manage.

So when I started with ServiceMaster over 20 years ago as Senior Vice President responsible for the legal and financial affairs of the company, the first three months of my training was involved in doing cleaning and maintenance tasks in hospitals, industrial facilities and homes. It was for me a learning and serving experience and helped me to identify with the needs and concerns of our service workers. It was a great lesson in servant leadership. It has been a constant reminder for me that I must always be prepared to serve and should never ask anyone to do something I’m not willing to do myself.
Second, a servant leader believes in the people he or she leads and is always ready to be surprised by their potential. A colleague of mine tells of an experience that has been a great reminder to me of this point. It is often the custom of firms to hand out service pins in recognition of years of service. As my friend was involved in such an event, he was surprised by the response of one of the recipients. The young man opened the box, took out the beautiful sterling silver tie tack and said thanks, and with a wide grin proudly put the service pin in his earlobe not on his lapel.

People are different, and we should never be too quick to judge potential by appearance or lifestyle. The firm at work is a place where diversity should be promoted. It is the leaders responsibility to set the tone, to learn to accept the differences of people, and to seek to provide an environment where different people contribute as part of the whole and so to strengthen the group, and achieve unity in diversity.

Third, servant leaders should make themselves available. Their door should always be open. They should be out and about talking and listening to people at all levels of the organization. They should always be willing to do whatever they ask of others. At our headquarters building in Downers Grove, we have designed our executive offices as a reminder of this principle of listening, learning and serving. Nobody works behind closed doors, glass is everywhere, confirming our desire to have an open office and open mind. No executive office captures an outside window. The view to the outside is available to all working in
Fourth, the servant leader must be committed, not a bystander or simply a holder of position. He or she is there for the long-term. No enterprise can function to its capacity nor can its people expect a healthy organizational culture unless they can rely upon the covenants and commitments of their leaders. This goes beyond the covenants usually contained in a legal document. It extends to the people who day-by-day are relying upon the leader for their future. It is fulfilling a leaders campaign promises. It is the leaders obligation or as some have described it “their posture of indebtedness”.

Fifth, servant leaders have a love and care for the people they lead.

Several years ago, I was traveling in what was then the Soviet Union. I had been asked to give several lectures at major universities on the service business and our company objectives. While I was in the city then called Leningrad, now renamed St. Petersburg, I met Olga. She had the job of mopping the lobby floor in a large hotel, which at that time was occupied mostly by people from the West. I took an interest in her and her tasks. With the help of an interpreter, I engaged her in conversation and noted the tools she had to work with.

Olga had been given a t-frame for a mop, a filthy rag and a bucket of dirty water to do her job. She really wasn’t cleaning the floor, she was just moving dirt from one section to the other. The reality of Olga’s job was to do the least amount of motions in the
greatest amount of time until the day was over. Olga was not proud of what she was doing. She had no dignity in her work. She was a long way from owning the results.

I knew from our brief conversation that there was a great unlock potential in Olga. I’m sure you could have eaten off the floor of her two-room apartment. But work was something different. No one had taken the time to teach or equip Olga. No one had taken the time to care about her as a person. She was lost in a system that did not care. Work was just a job that had to be done. **She was the object of work, not its subject.**

In contrast, the time spent with Olga with an experience I had just a few days later while visiting a hospital we serve in London. As I was introduced to one of the housekeepers, Kamula, as Chairman of ServiceMaster, she put her arms around me, gave me a big hug and thanked me for the training and tools she had received to do her work. She then showed me all that she had accomplished in cleaning patient rooms, providing a detailed before and after description. She was proud of her work. She owned the result. Why, because someone had cared enough to show her the way and recognize her for her accomplishments. She had dignity in her work. She was looking forward to her next accomplishment. She was thankful.

What was the difference between these two people? Yes, one was born in Moscow, the other New Dehli, and their race and language and nationalities were different, but their basic tasks were the same. They both had to work for a living. They both had modest and limited
financial resources. One was very proud of what she was doing. Her work had affected her view of herself and others. The other was not, and she had a limited view of her potential and worth.

The difference, I suggest, has something to do with how they were treated, loved and cared for in their work environment. In one case, the mission of the organization involved the development of the person. In the other case the objective was to provide activity and call it work.

So can an organization be a moral community for the shaping of human character and behavior and also deliver a service with a human touch? This I suggest is the greatest challenge we have as leaders of organizations that stand for a mission and purpose that extends beyond the most efficient task or lowest cost procedure. Where do people fit in the delivery of health care - the people who serve and the people being served in your hospitals cannot be measured solely in economic terms. There is no outcome determinative or measurement standard that goes to the feelings or spiritual side of a sick patient. When you limit your outlook to economic motivations, patients and health care workers are viewed as subhuman, with the resulting abuses we have all recently read about.

Leadership is both an art and a science. The results of a servant leader will be measured beyond the workplace. The story will be told in the changed lives of people. As we seek to lead our organizations as moral communities, we should recognize that it is not always comfortable. At times it feels like you are in a rowboat in the middle of
an ocean. There is an audience of skeptics with questions raised regarding the appropriateness of mixing faith and efficiency, and specifically in our case God and profit.

The following letter received from one of our shareholders is an example.

“While I firmly support the right of an individual to his or her religious convictions and pursuits, I totally fail to appreciate the concept that ServiceMaster is in fact a vehicle for the work of God. The multiple references to this effect, in my opinion, do not belong in an annual business report. To interpret a service for profit, which is what ServiceMaster does, is an incredible presumption. Furthermore, to make a profit is not a sin. I urge that next year’s business report be confined to just that - business.”

How would you answer this shareholder? For me, the common link between God and profit is people - people created in God’s image. It was C. S. Lewis who said “there are no ordinary people. You have never talked to a mere mortal. Nations, cultures, arts, civilizations - they are mortal and their life is to ours as the life of a gnat, but it is immortals whom we joke with, work with, marry, snub and exploit.”

What is business without people? What is health care without people? What is a world without God? I conclude my remarks with some lines from T. S. Eliot’s Choruses from a Rock.

“What life have you if you not have life together?
There is no life that is not in community.
And no community not lived in praise of God.
And now you live dispersed on ribbon roads.
And no man knows or cares who is his neighbor,
Unless his neighbor makes too much disturbance.
And the wind shall say, here were decent Godless people.
Their only monument the asphalt road,
And a thousand lost golf balls.
Can you keep the city that the Lord keeps not with you?
A thousand policemen directing the traffic,
And not tell you why you come, or where you go.
When the stranger says: "What is the meaning of this city?"
Do you huddle close together because you love each other?
What will you answer? We all dwell together,
To make money from each other? Is this a community?
And the stranger will depart and return to the desert.
Oh my soul be prepared for the coming of the stranger.
Be prepared for him who knows how to ask questions.

You have a tradition of adding an extra dimension to the delivery of healthcare. Continue to nurture and lead the Christian-based mission and purpose of your organization. In times of change it provides hope, a light, a beacon if you will, that guides people to do the right thing in serving others and to grow and develop in the process.

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