

Quorum

“Building a Business” Three Powerful Words – *They’re more than just semantics*

In a previous newsletter I mentioned reading an interview by Adam Bryant with Penny Pritzker, the United States Secretary of Commerce, in the December 22, 2013 Business Section of the New York Times. It was not a long interview but it was filled with comments that resonated with me. One of those comments was her focus on “building the business”.

“I grew up in a household that revered building businesses. It wasn’t thinking about leadership; it was more about building something. To build something you ultimately have to lead.”

I have never heard it quite put this way, but this comment reframed the values I grew up with. I come from an entertainment family and making movies, producing plays, and creating TV shows is what was valued. It was understood that the process was really difficult, that many people had to be brought together to make it happen, and more often than not, it might not succeed. But if it doesn’t “you pick yourself up, dust yourself off, and start all over again”.

No one ever spoke of engagement, mission statements, team building, leadership, or company values. The lexicon of modern management was alien to our discourse. Everyone knew that you were “only as good as your last picture” and getting your next picture made depended on everyone working to make the current picture the best they could; great movies sometimes don’t do well at the box office. But a bad picture that fails at the box office can be a career killer. A movie is a single product company and they take almost as long to make, from conception to theatrical release, as it takes to get a business off the ground and successful.

In the next paragraph Commerce Secretary Pritzker reflected on lessons she learned from her father.

“One thing he would talk about is how, when you’re building a fast-growing business, the bellman might very shortly be the general manager. He was focused on talent, and that you need to realize that talent doesn’t necessarily come in at the top, and it’s maybe somebody you grow. He has a real appreciation for the person who is passionate, committed, energetic, and wants to learn, as opposed to the person who’s already done everything you need them to do.”

It is amazing what children can learn from their parents. So let me tell you a short story about my Father.

Some years back, my father was releasing a picture called Raising Victor Vargas, about some young Latino kids growing up in New York. There was an opening at Lincoln Center and I invited a client and his wife to join us. My client ran organizational development for the international

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businesses of a US based, Fortune 500, Food and Consumer Products Company. His life was focused on finding and developing talent, building quality management teams that could take the company forward, and employee retention and engagement, in addition to a, myriad of other issues.

After the opening, we went to dinner with my Father and Step-Mother. Once seated and having reviewed all the many reasons why we liked the movie, my Father asked my client what he did and who he worked for. My client briefly explained and then asked my Father about his own company. My Father responded in a very self-deprecating way saying:

“Oh well, I have a little film distribution company, it’s very small, not like the huge operation you work for. We’re very tiny company, nothing much to explain.”

At this my Step-Mother and I looked at each other and then I turned to my client and told him that many people running studios or independent movie companies got their start working for my Father. My Step Mother then ticked off a list of people and the movie companies they now run. My Father shot back:

“That’s not true, the guy that runs Paramount Studios, never worked for me.”

“Excuse me” I replied turning to my client. “My Father is right. My Brother John never worked for my Father.”

This brought a burst of laughter, and protests from my Father. Then my client turned to him and with a serious and deeply interested tone, and asked:

“How do you do that? How do you develop people like that? It’s what I spend most of my time on and it’s really hard to do.”

“No its not” my Father replied. “It is really simple.”

“Ok,” my client said, “so what is your secret?”

“There is no secret”, my Father said. “All I do is hire young people who are passionate about being in the movie business and making movies. I look for kids with lots of energy, who want to learn as much as they can, and are committed to making whatever they work on a success. I pay them very little; I give them too much responsibility and not enough authority and turn them loose. They go charging forward and I spend most of my time telling them no. Sooner or later they hit a wall and crash, and I pick them up, dust them off, and yell at them to get back to work.”

My client sat listening with his eyes wide and his mouth open.

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My Father continued. “You see, I hate managing people. If I want to get something done I find someone bright and ambitious who is dying to do it. It is much easier to hold on to the reins than it is to push on a string.”

My client sat back in his chair as the klieg light went off over his head. Euphonies are wonderful like that. After a pause, and a long sip from his drink, he asked:

“How do you hold on to the people you develop?”

“I don’t!” said my Father. “After working for me for a few years, they have more experience than most senior guys at big studios. So, the big movie studios and film companies hire them away, for a lot more money than I could ever pay, to take a job that gives them a big title but less responsibility than they have working for me.”

My client sat in stunned wonder at what he had heard. My Father hires people to work at “building a business”.

Think about the phrase “building a business”. If I walked over to you and said that I needed your thoughts about a business I am going to build, would I get your attention? If you liked the description of the business and thought it sounded fun, would you get excited? Think about it. If someone came in and said, “Hey, we have these properties and we should develop them, maybe put some hotels on them, what do you think?” Would you have some thoughts? Or perhaps if I said, “Some guy sent us this script, read it, tell me what it’s about and if it would make a good movie.” How fast would you read it?

The phrase “building a business” is not just semantics. Those three words synthesize why you should come back to work tomorrow, what you should think about, the opportunities to be captured, and the challenges to be resolved. Those three words ring with adventure and excitement; and discount none of the obstacles and risks.

Next time you want to hire someone or get your people moving, try beginning the conversation with “Look, we have this business we want to build...” You may be surprised by what happens; who knows it may be a hit!

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