



**Frank Tirelli, former myCFO COO, Herbalife CEO, and Deloitte Italy CEO, on leadership in a volatile world**

[Transcript](#)

**Mike Kearney:**

When I reflect on my career, there have been some incredible leaders that I have gotten to work with. We had a podcast with Barry Salzberg, which was quite frankly one of my favorite conversations. And in my early days—so back in the nineties—there were a few leaders that really stood out. And one of them, who we are going to be talking to today, is Frank Tirelli. I remember being at a training in the mid-nineties when I first saw Frank. And I have got to tell you my first reaction was, “Who is this guy? He does not fit the stereotypical view of what a partner at Deloitte or a professional services firm is, no less the actual partner leading the entire western region.”

And it really didn’t take me a long time to learn why he was not only a partner, but a transformational leader. You know, Frank had a really unique way to inspire people. He was unbelievably innovative—I still remember some of the things that he did. And I also think he was able to get stuff done and move things ahead like few could. While my memories were born in the nineties at Deloitte, today’s conversation is not really going to be about Deloitte. It really starts with Frank leaving the safety of Deloitte and becoming the COO of myCFO, a company that was started by the legendary James Clark, founder of both Netscape and Silicon Graphics. It then takes us to his time as the CEO of Herbalife, a company that has absolutely seen some challenges over the years. And then back to Deloitte—but not Deloitte US, to Deloitte Italy, where he was the CEO. The tagline, and I say this over and over so hopefully it has resonated with everybody, but the tagline for Resilient is crisis, risk, and disruption. You know, when I step back and really think about Frank, he is literally the embodiment of what it takes to lead through crisis, risk, and disruption. And I am personally really excited to hear his stories and lessons learned that he has to share over his incredible career.

**Frank Tirelli:**

The activity that you're going to succeed in is determined by you. Not your spouse, not your children, not your parent, not your pastor, not your rabbi, not your partner in charge. You make the decision in what activities you're going to be successful. And society doesn't define what success is, you do.

**Mike Kearney:**

Welcome to [Resilient](#), where we hear stories from leaders on risk, crisis, and disruption. And we get those stories by jumping in a plane and meeting our guests on their home turf. My name is Mike Kearney and I'm a partner in Deloitte's Strategic Risk practice. In addition to my day job, I've got this incredible opportunity where I personally get to think of all these questions and ask them to these incredible leaders who really define what it is to be resilient. You know, I've been blown away by the continued engagement that I am getting online through social media. Just this week, so many of you reaching out to me providing recommendations for future guests—thank you for that, I am always looking for guests. But then also how these interviews have helped you in your career.

And I'll tell you, that personally inspires me to do more because when I am seeing that these interviews and conversations are making an impact in your lives, it means I am going to double down. So thank you for that. Today I am in beautiful San Diego. It's our second time in San Diego. Believe it or not, our first podcast with Bill Roper was down here in San Diego so I'm reminiscing not only about how beautiful this place is, but the very first podcast we did was here. So it's fantastic. But I am super excited to talk to Frank. You are going to hear some great stories, practical insights, and life lessons. So without further ado, let's get to our conversation with Frank.

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**Mike Kearney:**

You know, Frank, when I think about you—I obviously had the opportunity from afar—which you probably didn't even know me at Deloitte when you were here. But I remember looking at you in a sea of other leaders. It was at a training somewhere in southern California. It was probably 1998. I was like, man, that is not your typical Deloitte partner. You had a ponytail. I think you even said, you kind of looked like a bouncer. You work out; health and wellness is important to you. And were just very different.

Some words that I think about when I just saw you from afar, just kind of getting to know you over the last few months is: authentic, confident, and original. And I'd love for you to just weigh in, when you think about words that describe who you are, what would be some of those words? Do you agree with the ones that I used?

**Frank Tirelli:**

I've never really tried to classify myself with any particular words. I've always spent my life doing things that I love. And I don't do them to please other people. If they please other people, that's great. I learned very early, if you do things to please other people and it's not pleasing to you and that other person

is not pleased, you've wasted your time. So, first and foremost, you have to please yourself. So at least one person is going to be pleased with whatever activity you're doing. And that's always been how I've conducted my life.

So if people think I'm confident, I've always tried to be fair. I've always tried to be transparent. And whenever I dealt with someone, whether it was in the Deloitte environment or just from a personal perspective, I've always tried to have the other person's best interest at heart. And that last one—you know, fair and transparent, I think most people can accomplish. The last one, when you're really trying to look out for the other person's best interest, it's very difficult to do especially in a professional services environment because you are dependent on people to be successful. And when someone comes to you with a great opportunity and you know intuitively that that's best for them but if they leave—you working on a deadline of one of your best clients, it's difficult to give the right recommendation to that individual.

**Mike Kearney:** I totally agree. The one thing I would say—and this is my hypothesis, so you can respond to it. I do think a lot of people sometimes in this profession do struggle with being authentic to who they truly are. Agree or disagree?

**Frank Tirelli:** I think in any profession, yes. But this one, too. Deloitte's a very big organization and I love Deloitte. Deloitte's been the third biggest influence in my life. And I don't say that without the consequences. I have a debt to Deloitte that can never be repaid. Okay? Now, the debt I have to Deloitte is nowhere near as big as the debt I have to the two biggest influences in my life. But, Deloitte's a very big organization. And in order to succeed in organizations like that, there's a certain amount of politics that's needed. And some people sometimes default to not being authentic for the sake of politics.

**Mike Kearney:** Did you recognize that people perceived you as being a little bit different?

**Frank Tirelli:** Yes.

**Mike Kearney:** Do you think it helped you in your career while you were at Deloitte? We're going to get into all of your great stories.

**Frank Tirelli:** That's a great question. I don't know if I want to answer it.

I think it did, just for the simple reason that people would be aware of someone who looked a little different. I grew up in New York City. I've got the thick New York accent. Some people would say maybe I don't fit the physical mold of what a consultant or accountant would look like. So from that perspective you stand out a little.

But, you take a risk when you stand out. When you stand out, sometimes people are trying to get you. All right. So you better perform at a high level. That doesn't mean that you have to be more intelligent or more talented, just have to be performing at a very high level. And the way I performed at really high

levels, I worked really hard and I worked really long. I wasn't as smart. I wasn't as intelligent. And I wasn't as talented as a lot of the people I worked with at Deloitte.

As you know, Deloitte's got some of the most intelligent, talented people, as do the other firms. I'm not a complete Deloitte-phile. But I wanted to make sure I didn't fail. It was very important for me that when somebody gave me a job that I did that job and I did it well and I didn't disappoint them.

**Mike Kearney:**

So you said that you were—one of the things I really enjoyed in our pre-meeting was learning a bit about what made Frank, Frank. And I think it goes back to your time in New York. So can you just maybe talk a few minutes about your upbringing, your childhood, where you went to school. Love to hear that.

**Frank Tirelli:**

Sure. Grew up in New York City, as my accent would indicate. Went to high school, a private school on 16th street, between 5th and 6th Avenue in New York City. A school called Xavier. I refer to it as the best high school in New York City. There may be some who would argue, but I would think that they were wrong.

Xavier was the second most influential institution of my life. Deloitte was third, Xavier was second. And I have a debt to Xavier that also will never be paid off. Although they are very aggressive in pursuing my payment of that debt now as I've gotten older. Now, Xavier has a special meaning to me, but also a special meaning to my family.

My dad was an Italian immigrant. And my father also went to Xavier. So I am a second-generation Xavier graduate. And my dad was the most important influence on my life. I mean, my mother was also, but I was raised in an Italian family. And it was more of the—I always wanted to be like my father. I wanted some of the attributes that my mother had, but I obviously didn't want to be my mother. I wanted to be my father because I'm male.

**Mike Kearney:**

So tell us about your dad. I know that he really had a big impact. So maybe share some of that.

**Frank Tirelli:**

You know, I tell people the first book I ever read, I was about three years old, was my father's high school yearbook. He graduated from Xavier in 1945. I knew when I was three or four years old, I knew every single one of his classmates. I could tell you who captains of the football team were. Now, my father was one of the captains of the football team. So that's why.

But I also know who the other captain was. The captain of the basketball team was a gentleman by the name of George Hans Kaftan. And you won't know the name Kaftan, but Kaftan was the captain and the most valuable player for Holy Cross when they won the NCAA basketball championship in 1947. So I knew everybody in that yearbook.

Xavier was a very special place to my father because they tutored him for about two to three years before he entered high school in English because he had to—came over from Italy and his language skills were Italian.

**Mike Kearney:** How old was he when he came over –

**Frank Tirelli:** About ten.

**Mike Kearney:** About ten? Yeah.

**Frank Tirelli:** When he was 13, he was admitted to Xavier. When he was 17, he was fluent in English, no accent unless someone was presumptuous enough to say someone from New York has an accent. He was captain of the football team and he was awarded a scholarship to some schlock university in South Bend, Indiana: Notre Dame, where he graduated in 1950. Then he started his family and I was the first.

**Mike Kearney:** I think I remember you telling me that dad came over and went to high school. Wasn't he one of the only kids in your neighborhood that actually even graduated from high school? Is that—is my memory serving me correctly, or...?

**Frank Tirelli:** The joke in the neighborhood wasn't that my father was the only man in the neighborhood with a college education, he was the only guy in the neighborhood with a high school education.

And that's not odd. It was a very blue-collar neighborhood. It was heavily Italian. And a lot of hardworking, blue-collar guys like my grandfather. In the construction business, waiters, electricians, dock workers. All of whom worked extremely hard to educate the next generation. I tell people this—and this is very important to me and I think it's very important for a lot of folks to understand. My parents, my mother and my father, would have lived in a cardboard box to get me educated. That's how important education was to them.

**Mike Kearney:** Wow. That's incredible. What would—when you reflect on your dad and even your mom, for that matter, what were some of the values that they instilled in you at an early age?

**Frank Tirelli:** I don't see them as instilling values. I looked at them as examples. I saw the way they treated people. My father was, as I mentioned, college education from arguably one of the best colleges in the US: Notre Dame. Those friends of mine who went to Notre Dame, I would never admit that to though. But it clearly is one of the best schools.

But my father came back and lived in the old neighborhood in New York City. Worked in the construction business and obviously, with a college education, was at a pretty high level. And I can see that the way that the people that worked with him treated him, how he treated them. They were all equals. He

had to make decisions on who to hire and who to fire and I saw the way he treated people doing that.

I think he was always empathetic. I remember him always telling me, “You don’t fire somebody—it hurts. It’s someone who’s gotta take care of a family.” And those things were very important to him. And I remember, if we went out to eat in the neighborhood, how well the waiters would treat him. It’s just something I just never forgot: how well he treated people and how well the people treated him.

**Mike Kearney:** Well, it’s interesting because you just gave several, I think, real life examples of what you observed. That almost seems like—we won’t get into it—but really has impacted the way that you treat people, the way that you engage from a leadership perspective.

**Frank Tirelli:** Yeah, I certainly try to. I certainly try to.

**Mike Kearney:** Who were, other than your dad, any heroes when you were a kid?

**Frank Tirelli:** I didn’t have heroes. I was a very sports-oriented kid and there were probably two athletes that, I don’t want to say affected my life, but were important in my life. One was a baseball player; name was Mickey Mantle.

**Mike Kearney:** Yup. I’ve heard of that guy.

**Frank Tirelli:** And the other one was a boxer. His name was Floyd Patterson. You know who Floyd Patterson was?

**Mike Kearney:** I definitely know the name.

**Frank Tirelli:** Floyd Patterson was the heavyweight champion from 1956 ‘til about 1962 when he lost his title to Sonny Liston. There were a lot of reasons why I looked up to Floyd Patterson. One was he was an incredibly gracious man. And I heard him say something once that has stuck with me for the rest of my life. And somebody—here he was, he’s the heavyweight champion of the world. The baddest man on the planet is Mike Tyson.

**Mike Kearney:** Right. Don’t mess with this guy.

**Frank Tirelli:** Baddest man on the planet. And somebody asked him if he was scared before he went into the ring. And he goes, “Of course I’m scared. I’m really scared before I go in the ring.” And the person who asked him the question didn’t understand it nor did I. I’m thinking, look at this guy. He’s the heavyweight champion of the world and he’s scared. Why would he be scared?

And he said, “Scared is a good thing. Because if you’re scared, all your senses are working.” He goes, “What you do is you take that scare that you have in your system and you internalize it and you use it to your benefit. Think of a situation where a woman gets into a car accident and her son is trapped under a car. She’s scared. But what she does is she harnesses that feeling and she does

something she could never do: she lifts up a car.” That’s what I do. When I’m not scared, my senses aren’t working right. I know I’m in trouble if I’m not scared.

**Mike Kearney:**

Wasn’t there a dash of—I love the juxtaposition between humility and confidence. I almost wonder if that was kind of his M.O. as well, in that he was humble. But I’m guessing he was also confident at that same time.

**Frank Tirelli:**

Well, you would think if you’re the heavyweight champion of the world, you’d have a certain amount of confidence. But I just never forgot that. And it—people—everybody gets scared in a certain situation. It’s how you react after you’re scared that differentiates you. Everyone’s scared. If you’re not scared, that means something is wrong with your system. Because the way the system is made for humans is that when something dangerous happens, you’re supposed to get scared. What Floyd was saying is that you take that and you harness it and you use it your benefit. You internalize it and now you go out and do something that you couldn’t do without that.

**Mike Kearney:**

Otherwise. Yup, yup. So do you follow your dad—I don’t think you did—but did you follow him to Notre Dame? Where did you go?

**Frank Tirelli:**

I did not. That’s a long story but I don’t have time to get into it. He’s still disappointed. No. After I graduated from Xavier, I went to Boston College.

**Mike Kearney:**

Another Jesuit school.

**Frank Tirelli:**

Yes. That’s right. I got my degree in—I majored in accounting and I minored in math. But I’m going to tell you a little funny story. When I graduated from BC, at the time, there was the Big Eight. I had no idea what a Big Eight firm was.

**Mike Kearney:**

Yup. Even when you graduated?

**Frank Tirelli:**

Had no idea. The Big Eight to me—and I’m dating myself –

**Mike Kearney:**

I was Big Six when I came, so –

**Frank Tirelli:**

Those who are my age will remember there was a football conference called the Big Eight. It included Texas, Oklahoma, Nebraska, that shows you how long ago again. I had never in my life ever heard of a Big Eight firm. Just never had heard of one. And after I graduated from BC, the day after I graduated, I drove out to California. And I spent the summer in a town called Ventura.

**Mike Kearney:**

I know it well.

**Frank Tirelli:**

I lived on the beach. I did nothing but work out and live on the beach. In August I drove back to Boston and I pursued my MBA at Babson. And when I graduated from Babson, I did know then what a Big Eight firm was. But I had zero interest. None whatsoever. I wanted to go into the food service business.

**Mike Kearney:** Were you interested in tax and accounting and all that stuff even at that point in time?

**Frank Tirelli:** No. But I'm gonna—that's another interesting story. Now, you have to realize, when I started college, I was young. I was 17. And I said to myself, "Areas like people management, human resources, marketing, sales, you know, all the skills needed to be successful in business, either you had those talents or you didn't."

**Mike Kearney:** They were innate.

**Frank Tirelli:** Yup. I thought you were born with those particular talents. But what I was really confident of: nobody could have been born with talents for accounting or tax. So I said to myself, "What I'm gonna do in college is I'm going to learn accounting and tax. So when I speak to those geeks, I'll understand what they're saying." Little did I know, my 30 years of my 35-year career would be spent in that particular area.

**Mike Kearney:** So you're at Babson, you learn about accounting and tax. Now you know what the Big Eight is. How did you make it? What was the step to get in the Deloitte Touche predecessor firm?

**Frank Tirelli:** Well, you know, I went into the food service business. I went to work for a chain of steak houses called Valley's Steakhouse. There were about 26 restaurants, all on the east coast. They were from all the way from Maine down the Florida. That's really where I wanted to spend my career because I loved the food service business. I loved the restaurant business.

And something didn't go right with Valley Steakhouse. The owner died, I think they eventually went into bankruptcy. And then I ended up working for a company called Sky Chefs out in Chicago.

**Mike Kearney:** Are they the ones that service all the airlines?

**Frank Tirelli:** You got it. I was a food and beverage manager at O'Hare airport. I then had an accident from physical activity. And I had to have my shoulder rebuilt. So, I went back to New York, had my shoulder rebuilt. And back then, they didn't have arthroscopic surgery. And so, they had to make a pretty big incision. It was common for dislocated shoulders. But back then, it was common, you had to stay in a sling for about, I don't even remember, 10 to 12 weeks.

And I've always been a very physically active guy and I was going nuts. I had no idea what to do. So I decided I'm going to study for the CPA exam. Don't ask me why.

**Mike Kearney:** Just on the whim.

**Frank Tirelli:** Just on the whim. I needed something to occupy my time.

**Mike Kearney:** I could find a lot better things. I'm a CPA by background, so I can say that.

**Frank Tirelli:**

So, I study for the exam. Took the exam. And I passed it. And my father came and talked to me. And my father's in the construction business and he goes, "Look, if you want to come in and work with me, that's fine. But I suggest you don't. It's a difficult business. There are times when you're doing really well. And there are times when you're not doing well in the construction business. And a lot of it is due to the economy, not due to the particular individual talent of the person involved. So you ride high swings and low swings where you have no control. And I did it 'cause I had to do it."

He goes, "Why don't you go work for one of these accounting firms, get certified. If you don't like it, fine. You can come into business with me. Or there are other things you can do. But maybe it's worth thinking about working for one of these firms." And my father had a number of friends who were working for a number of the Big Eight. And they all told me the same thing. They said, "Frank, we've known you for a period time. You're never going to last at one of these big firms. But we can get you an interview."

"But if we get you the interview, and you're offered a position and you accept it, just do us a favor. No matter what happens to you in the first two years, you're going to take it. Doesn't matter what it is, you're going to take it. And then, after you get your two years in one of these firms and you're a CPA, people will look at you and say, 'Wow. He worked for a Big Eight firm, he's really got to be smart.'" He goes, "That'll establish you for the rest of your life. But we know that you're not going to make it. But please." So, you know –

**Mike Kearney:**

What year was this that you started?

**Frank Tirelli:**

'78

**Mike Kearney:**

You started in '78.

**Frank Tirelli:**

And so I said, "Yeah, sure, fine." I narrowed it down to two firms. Interestingly, the firm that was then Deloitte Haskins & Sells and Arthur Andersen. Deloitte Haskins & Sells offered me \$500 more than Arthur Andersen. Deloitte Haskins & Sells offered me \$17,500 and Arthur Andersen offered me \$17,000. You look back at it now and you laugh. \$500 meant something back then.

So, I started with Deloitte in New York at, I think it was Two Broadway. And my first day in the office, one of the administrative people came in and said, "Partner in charge of the office wants to see you." And I'm, "Oh boy. First day in the office." He wanted me to move a TV from his car that was parked in the parking lot to his wife's car who was out front waiting for it. So I did my first job pretty well.

**Mike Kearney:**

That's funny. Reflecting on my recruiting, it was Deloitte or Andersen. And the reason why I didn't go to Andersen is they said, "We'll bring you in to the audit practice. But we think you're more of a consultant." And I'm like, "I just got my

CPA. I'm not going to audit." So I ended up coming to Deloitte, which was the best decision I ever made.

**Frank Tirelli:** Me too.

**Mike Kearney:** So, we could spend hours talking about Deloitte. I want to almost—so it's 1978 and you just moved a TV, so you probably ingratiated yourself to the managing partner. Let's move forward 21 years. So you're unbelievably successful at Deloitte. I think at that time –

**Frank Tirelli:** from my perspective. I never envisioned doing any of—

**Mike Kearney:** 21 years

**Frank Tirelli:** That's why I'm eternally grateful to Deloitte. I don't think there was any other firm that I could have accomplished what I accomplished in.

**Mike Kearney:** So it's 1999. At the time, you are now, I believe, the Western Regional Leader for Deloitte's business –

**Frank Tirelli:** I'm the regional managing partner; I'm running all the west coast offices. I think it was about—back then, it was about 6,000 people and a billion of revenue. But you have to remember, back then, we were organized by geography not by function.

**Mike Kearney:** Right. Very different. And I remember, that's where I think I had come across you was at this training. And I was from northern California. And I was like, "Who's this guy?" But what I'm curious of—and I remember this like yesterday and I think I even mentioned this to you before. I remember getting a video. And I think you were one of the first people that actually used video.

So this was, once again, 1999. I think it was somewhere on an internet site. An e-mail was sent out and it said, "I'm leaving the firm." And there's not a lot of Deloitte leaders that pick up and leave. But you were going to a company: myCFO. And in many respects it was a company that was looking to disrupt the financial services industry. You were working with James Clark. Did you call him Jim or James?

**Frank Tirelli:** Jim Clark

**Mike Kearney:** But iconic founder of Silicon Graphics and then also –

**Frank Tirelli:** Netscape

**Mike Kearney:** Netscape, yeah. Why? Why'd you leave Deloitte? What drew you to myCFO?

**Frank Tirelli:** There's no one item. It was a confluence of items. And I think you have to understand the environment back then. What Jim Clark did with Netscape which people don't focus on, is it made the internet a commercial vehicle. I want you to think about that. All the buying people do on the internet today, that was

because of what Netscape did. And Jim Clark was the founder of Netscape and Jim Barksdale was the CEO of Netscape.

It's easy to look at something today and say it's pretty simple. I go on Amazon, I buy a book. No big deal. Back when the internet first got its start in the '90s, it was about communication. Somebody would send an e-mail or you'd dial up and hear [electronic noise] to get on. Now, all of sudden, you had this guy—this team. It wasn't a particular guy, it was a team of people at Netscape, that made this a commercial vehicle. And it exploded.

Everybody was changing their business model. Amazon, eBay. Who thought Amazon was going to have as much of an effect on Barnes & Noble as it did? But it was really the first seismic disruptor in business. And arguable the greatest financial disruptor since World War II, maybe since World War I. Okay? I got a call from Kleiner Perkins, Jim Clark from Netscape –

**Mike Kearney:** Had you ever met him before?

**Frank Tirelli:** No. We were trying to meet all these people at Deloitte, we couldn't get in to see 'em. Now, all of a sudden, now we're getting in to see them!

**Mike Kearney:** Now he's calling you.

**Frank Tirelli:** Spoke with the gentleman who was then the CEO of Cisco. And so, I've got four or five of the largest players in Silicon Valley talking to me about what they're trying to accomplish with this company. I remember when I went into a conference room, very similar to this, and Jim Clark was in it with his chief technology officer from—who was with him at Netscape. And they had all these boards laid out showing exactly what they're going to do in the financial services area.

It was incredible. I mean, it was absolutely incredible. The change it was going to make—it was just, everything that had been done by people was now going to be done by computer except for the value-added stuff which is kind of the holy grail of professional services, if you will. You want as much of the mundane and the repetitive to be done with technology to free up all your people to do the value-added.

And I was at a point in my career with Deloitte where, the way we were structured at that point, from a realistic standpoint, I think nowhere else I could have gone. The next step—at the time, the other regional managing partner was Bill Parrett who ran New York. He was going to be the next CEO. I think the other three were Dave Hunterberg, Harry Witt, and I'm drawing a blank on—Bill Stevens. But I was the youngest.

And I didn't enjoy my regional managing partner role as much. I liked being closer to people. When you're managing 300 people, you know everybody. You know their birth dates, you know what's going on in their families, you can help

'em. When you're managing 6,000 people, you know nobody. You don't influence anybody. And all of that came along at the same time. And I said to myself, "Regardless of what happens, I'm going to spend some time with the brightest minds with respect to the internet and financial services. Even if it doesn't work out, I'm going to be able to come back somewhere."

At the time, Deloitte—none of the big firms liked bringing people back. Now that's changed, obviously, for good reason. But back then, it wasn't like you knew you'd have a job going back to Deloitte because that was not as common. A lot of senior people said, "Once you leave, you never come back." Well, I get to myCFO and I realize everything that I saw on the board was a thought, was a plan. There was no technology that really did this.

Okay, so when we're going through operations at myCFO from a technology standpoint, they're trying to create this. Now, was I disappointed? The answer is yeah. I was very disappointed. But it taught me a very good lesson. It taught me that all creative and innovative business disruption starts with thought.

**Frank Tirelli:**

An idea. Yup.

**Mike Kearney:**

You have to get that thought and you have to get it on paper, written out. But if you could have seen how all the major financial services organizations responded to us, whether it was the brokerage houses, the Big Six firms. Everybody was concerned. Everybody wanted to meet with us. We got to meet the chairmen and CEOs of the largest New York private equity firms, financial services firms, and we laid out for them our plan.

Now, they didn't know we didn't have the technology yet. We're working on it. But when they saw that plan, you could see they were concerned. A lot of them wanted to buy it. I'm sitting there saying, "Well wait a second, talking about buying us for \$750 million. We don't have anything." You know, I'm not saying this, I'm thinking it.

That's—you saw how people got—reacted in such—they went to the worst space. Which, you have to remember about human nature: when something happens, people always go to the worst, immediately. Now, eventually, they come back. Something happens to your dog, gets hit by a car. Where do you go to? Same thing happened in financial disruption area. They all went to the worst space.

All the top financial services companies, whether they were in Chicago, whether they were in New York, whether they were in San Francisco, all the big financial services firms, the Big Six firm at the time, all were concerned.

**Mike Kearney:**

What did it teach you about being an industry disruptor? Were there any big takeaways because now kind of the cliché or the term that everybody uses is: you're either being disrupted or you are the disruptor. Maybe coming from both sides, what did it teach you about being the disruptor first?

**Frank Tirelli:** The most surprising aspect to me, as a disruptor, is how much interest the largest companies in the world and the most influential management teams and executives in the world had in our little startup.

**Mike Kearney:** Interesting. What about—Frank, the one thing I’m always interested in is every company, to a certain degree, is at a risk of being disrupted, even Deloitte. But every company out there, even Amazon, even—I’ve been reading articles about some of the ride sharing companies with block chain and all of that. What advice do you have for CEOs and others that are in a very successful business but they know down the road, maybe very soon, there is something that maybe potentially could change their business? But it’s really hard for them to pivot because they are so financially successful. What advice do you have for them?

**Frank Tirelli:** That’s a great question. People get comfortable. The company’s doing well, we’re making money, we’re employing people, we’re doing good things. We’re contributing to the community. But I was on the disruption side.

**Mike Kearney:** You were the disruptor.

**Frank Tirelli:** Right. And this is a recommendation that I would make that I believe few will take. What I would do is I would take my most talented, young executives –

**Mike Kearney:** Why do you say young?

**Frank Tirelli:** Because older people tend not to change. Meaning—and age is not really the differentiator, it’s just been my experience, having been young once. And I was in a very senior position when I was young. I think that gave me an advantage over people because many people got to my level at Deloitte were in their late 50s. I was in my mid-40s. I was still a risk taker. I still didn’t care if I lost my job.

If I was in my 50s, I would have because I was making good money and I’m just holding out ‘til retirement. Not every person does that, but I think 80 percent do. And when you get older, sometimes you know something can’t be done. When you’re younger, you don’t know something can’t be done.

**Mike Kearney:** Which can be an advantage.

**Frank Tirelli:** That’s right. Exactly. So I would take younger executives, those who know their career’s not going to be negatively affected. I’d fund ‘em, I’d send ‘em off to a separate part of the building, and I’d tell them, “Develop something that’s going to put me out of business.”

**Mike Kearney:** So almost empowered –

**Frank Tirelli:** Because somebody else is going to do it.

**Mike Kearney:** Empower really good people to kill your business.

**Frank Tirelli:** Not really good, your best.

**Mike Kearney:** Which—that’s what makes it hard, right? You’re taking the best people that are running your core business and asking them to do something differently.

**Frank Tirelli:** That’s right. Exactly. That’s right. So, in the ‘90s if Deloitte picked out its best young partners, great partners, and put ‘em in a separate building in Wilton, where headquarters were back then, and said, “Develop something that’s going to put us out of business.” It would have been interesting to see what they came up with.

**Mike Kearney:** I’m going to go off on a tangent because you said two things. You said two words that I thought were fascinating and I think it’s linked to this conversation. But you said that in your mid-40s when you were a leader, you were a risk-taker and you didn’t care if you lost your job. Can you maybe drill down—because that is fascinating. Because to a certain degree, I would argue that people’s success is oftentimes predicated by the risks they’re willing to take. And the notion of ‘I’d be willing to lose my job’ is very evocative. Meaning, it’s like you put everything out there.

**Frank Tirelli:** Yeah, and I didn’t mean it as evocative as it came out. Look, I’ve already established the fact that I love Deloitte. And I’ve already established the fact that I have a debt to the firm that can never be repaid. And that I don’t—I truly do not believe I could have reached the levels of success within Deloitte in another firm. I just don’t think so. I think Deloitte had the type of culture where someone like me could reach a relatively high level.

But, my ego has never been totally about Deloitte. There have been activities in my life that were more important with Deloitte. It just so happened those activities never interfered with Deloitte. And Deloitte never interfered with those activities. If Deloitte had interfered with some of those activities, I would have quit Deloitte.

**Mike Kearney:** Right. But Frank, I would just—let me just try this out on you real quickly. I would argue if you have a mindset—and it is all about mindset—that I need—in order for Deloitte, let’s just use Deloitte. Or any company to be successful, there are things that I need to do. But oftentimes, those things are about taking risks that may not be mainstream at an organization. And I would argue that certain leaders, I’ve even found myself in this, that because of your own personal perspectives and what you believe other people want of you, you hold back. And you don’t take those risks. And in the end, you’re not successful.

And so, that’s why when you said, “I’m will to lose my job over doing what I believe to be the right thing.” That’s not what you said, but I believe that’s what you believe. Maybe not. Is what allows leaders to be successful because there’s so much conservatism—I don’t even know if that’s a word—but in how people lead because they don’t take the risks they need to take.

**Frank Tirelli:**

I'm going to give you a quote. Every morning—I always spend about 10—15 minutes every morning. I review my goals. And my goals involve my personal life, physical activities, things that are important to me, things I want to accomplish. And I just read through them. It's not a—and time to time, I may adjust them. But it's important to constantly reinforce in your mind physically, what's important to you and what you want to accomplish.

And in addition, over the years, I have accumulated probably seven or eight pages of quotes that are important to me. Those quotes come from books that I've read. They come from movies. Some people send me quotes because they know I like them. And I thank them profusely and I probably keep ten percent of what—now, you would read these quotes and may not have a particular meaning to you. But every single quote that I have has a particular meaning to me. And it may not be what you literally read in the particular quote. Okay?

But one quote that has always been important to me is that: "I would rather beg for forgiveness than ask permission." If it was something that I thought was right and thought that someone else may think was a little controversial—if you spoke to a lot of people, they would say, "Yeah, that sounds like Frank."

**Mike Kearney:**

I'm sure it's when you say 'beg for permission' –

**Frank Tirelli:**

I'd rather beg for forgiveness than ask permission.

**Mike Kearney:**

Beg for forgiveness, thank you. But again –

**Frank Tirelli:**

Don't look at it literally.

**Mike Kearney:**

That's my point. It's not like you're going so far off the reservation.

**Frank Tirelli:**

No, no, no, no.

**Mike Kearney:**

But there's always those rules that hold people back, is what I'm trying to get at.

**Frank Tirelli:**

It's like I tell everyone that I work with, there are boundaries out there. There are fences. I just don't want you to see 'em. But they're there.

**Mike Kearney:**

So, can you reflect just quickly, we're going to move to your next phase of your career. But before we go there, any lasting learnings from working with Jim Clark? So, you talked about his time at Netscape and Silicon Graphics. Anything that you took away that you now reflect on and say, "Wow, because of that period of time I was there, it really helped me as a leader or taught me some things I otherwise wouldn't know." Any lasting impression from working with him?

**Frank Tirelli:**

I don't know if there were lasting impressions. It was the first place I worked where I faced adversity, sometimes on a daily basis. I mean, we were worried about payroll. Now, we knew we were going to get funding, but I never had to worry about payroll before. You know? I ran a billion-dollar business at Deloitte. I never worried about payroll. Now, I'm worried about payroll.

I had to go out and we had to raise money. At Deloitte, I never had to worry about raising money. So there were a number of things that I did after I already thought I was an accomplished businessman that kind of—I got an appreciation of what it meant to have no money with payroll coming due.

**Mike Kearney:** Really to run a business that was—not, I was going to say cyclical, but has the challenges of a startup. So, you leave myCFO.

**Frank Tirelli:** Yes.

**Mike Kearney:** And you go to Herbalife.

**Frank Tirelli:** Herbalife.

**Mike Kearney:** So, I'm guessing given your proclivity to health and wellness, was that something that drew you in to Herbalife? Maybe just tell the story of how you got there.

**Frank Tirelli:** Well, Herbalife was a Deloitte client. And I remember when I was transferred out to Los Angeles, one of the firm leaders said to me as I was transferring out, "Frank, when you get out to LA, you look at this company Herbalife. I just don't understand. I don't understand it. Don't understand the business model. Is it going to get us in trouble? I don't even know what these guys out in LA are doing. You're a New York guy, I trust you. Go out there and you gotta come back and tell me."

And I said, "Sure. Okay." He's the boss. Got it. So I get out to LA. And I get a—at the time, I'm running southern California tax. And I go out and I meet some of our larger clients. They're introducing the new guy who's coming in from the east coast. I go out and I meet Herbalife. At the time, the founder and owner of Herbalife, was a gentleman named Mark Hughes.

Mark was about the same age I was. He was a young guy at the time. Very good looking guy. Very personable; very good dresser. We hit it off. We hit it off personally. And from a business perspective, I remember him telling me that he was very jealous that I could wear my hair in a ponytail. But he said he couldn't do that because now that he's a public company, he's got enough image problems with it being a multilevel marketing company. Because when you work for a boring firm like Deloitte, you can get away with that stuff. And I said, "Okay." I said, "Thanks, Mark. Not a problem."

So he and I hit it off personally. But I also became a close business advisor to him. I would tell you, I don't think there was any business move I made that he didn't get me involved in and for those who are not familiar with Herbalife, Herbalife is—everyone thinks of it as this multilevel marketing company. Multilevel marketing is the method in which they distribute their product.

They have two products. They have inner nutrition and outer nutrition. Now, they didn't refer to it as that when Mark was there. I changed that classification when I got there. Inner nutrition meaning something you put inside your body to make you feel better and make you look better. Outer nutrition: something you put outside your body whether it was skin, whether it was hair.

And I did that to simplify the selling process for our brand ambassadors which would be called distributors. Yeah. We have things for inner nutrition and we have things for outer nutrition. It was fascinating. Fascinating company. Now, I've always been—I've been a physical fitness fanatic since I was 13. I've been a nutrition fanatic since I was 13. And I've been a supplement fanatic since I was 13. Fanaticism and I go along very well because it keeps me disciplined.

**Mike Kearney:** I gotta just say, one of the things that I'd heard people would say, "Oh yeah, we were in Deloitte board meetings in the mid '90s." And they'd be like, "What the hell is Frank taking out of his bag?" Like these crazy smoothies or shakes or whatever. I randomly heard that one time, so –

**Frank Tirelli:** I know who you heard that from and I won't mention her name. but she used to give me a hard time about it.

And so, what people don't understand about Herbalife—and I think it's very important to understand. The founder of Herbalife—Herbalife was founded in 1980. Founded by Mark Hughes. At the time, Mark was 23 years old. Mark had a ninth grade education. His first sale was out of the trunk of his car. He sold three products: aptly named, Formula One, Formula Two, and Formula Three. Nice and simple.

Formula One was the staple. Now, this is 1980. What Formula One was was probably the first meal replacement product ever developed. Now, today meal replacement is very popular. It exploded in the mid and late '90s with products like MET-Rx, et cetera. But now, everyone uses them. Ready to mix drinks. This was 1980 when he started this.

**Mike Kearney:** Was there even—did he even have any competitors at the time? Or was

**Frank Tirelli:** Yeah, sure. They weren't doing it the way he was doing it. He did it nice and—he had a nice, simple theory. If you were 20 pounds or less overweight, you took one meal replacement instead of a meal. If you were more than 20 pounds overweight, you took two. That was it.

**Mike Kearney:** It was that simple.

**Frank Tirelli:** That simple. Okay. When he passed away in 2000 and when I took over as CEO, we were doing business in 54 countries with \$2 billion in revenue. I want you to think about that. A 23-year-old man starts a company out of the trunk of his car in 1980 selling food products. And when he unfortunately passed away way too soon –

**Mike Kearney:** Twenty years later, I guess.

**Frank Tirelli:** Twenty years later. \$2 billion, 54 countries. And all anyone thinks about when they talk about Mark is multilevel marketing. This man was a genius. He had a ninth grade education. Since when does education and intellect ever correlated? That's nothing to do with it. The man was a genius.

**Mike Kearney:** So what did he teach you though? Through that process, I'm guessing, just the way you're talking about him, I get the impression –

**Frank Tirelli:** High degree of respect. You also have to realize, because he had a ninth grade education, there wasn't much he could do to make a lot of money. Couldn't go work for Deloitte. Not with a ninth grade education, unless he wanted to work outside of the professional area. And then, you go work for Deloitte, you're not going to have much of a career outside of the professional area. Couldn't go work for a law firm, unless he went to the mail room. The guy had—probably little later on, we're going to get into the—my attributes of success.

**Mike Kearney:** Yup. We've got some questions coming.

**Frank Tirelli:** You have never met a man who is better at facing off against adversity than Mark Hughes. Relentless. Relentless. A 100 percent belief in his product and what that product can do. 100 percent belief. Devoted to the products. Devoted. Highest quality he—he used them. His family used them.

I'd hear rumors when I was the CEO about product—what's in the product? Is it really any good? I'd tell people, "I give this product to my mother. Do you think I'm going to give my mother product that isn't great?" I use it all. People liked rumors about the company because it was multilevel marketing. And people, business people, don't understand multilevel marketing. Because when they hear multilevel marketing, the first word they think of is pyramid. I learned more about professional services working for Herbalife than I did in the 21 years I worked for Deloitte.

**Mike Kearney:** Why? Because you were procuring professional services –

**Frank Tirelli:** No. Here's why. Well, that's part of it. But here's why also: if you looked at the Herbalife direct-selling, multilevel marketing model. If you recruit somebody into your down line and that's analogous to a partner recruiting somebody out of college, you have to spend a lot of time training that person. Both within Deloitte and within Herbalife. The difference in Herbalife is if that person doesn't perform –

**Mike Kearney:** It hits you in the pocketbook –

**Frank Tirelli:** They, that individual person, makes no money. And that partner equivalent, who devoted all that time to training, makes no money off of that person. You know, at Deloitte, not a negative. Everybody makes money in that model. So, in Herbalife, if you're the partner equivalent and you're recruiting somebody in

your down line, you make sure you're going to get somebody who's really good. Because if you get somebody who's really good, they're going to start selling product really quickly. And they're going to start recruiting other people to sell product quickly. And you make money on everybody underneath you.

Conversely, if you're a real talented college graduate, you want to go work for a partner who's going to train you. I want to work for the best companies in the world. Who do you serve, Mike? Tell me your—I'm going to interview you. Same thing.

**Frank Tirelli:** Sure, sure. I've got some great clients.

**Mike Kearney:** That's why I want to work for them.

**Frank Tirelli:** Same thing happens in multilevel marketing. The really good entry-level people want to know how the person that recruits them into business is going to help them. Because it works both ways.

**Mike Kearney:** So it sounds like, in some respects, the big takeaway that you had—and you probably knew this going in, but the importance of really spending time with people and engaging them and training them and doing all those things. When you came back to professional services, is that—am I cold? Or warm?

**Frank Tirelli:** I'm going to say it differently. If I had any particular skill that I believed differentiated me, it is: I was able to put in systems to help people be successful. I always—everyone's got a genius. Everyone, I don't care who it is. As management, it's our responsibility to help you identify that genius, put that genius to work for us, so we can be successful.

Conversely, everybody's got a weak point. Some have more than one. Our responsibility, as management, is to identify that weak point, limit its effect on the firm. But also, work with you to help minimize that weak point or even better, turn it into a strength. Because when you understand your weaknesses, then sometimes you can turn them around to become strengths. Just like sometimes your strengths become your weaknesses.

**Mike Kearney:** You know, one of the things we focused on a lot—and I think it's actually in vogue now with businesses—is that whole notion of strengths. And I think, what I've seen in my career is that there's often an overemphasis on weaknesses and not necessarily trying to position you enough with your strengths. I think it's actually a great point that you made and something I'm seeing quite a bit just in professional services and in my clients.

Let me just ask you—I want to just channel, you're a CEO of an organization that one could argue had some risks. How did you think about risk as a CEO? And the reason why I bring this up, Frank, is Deloitte has the largest risk services practice in the world. Okay? And we work with clients in many different industries at many different levels. But one of the things I've begun to

experience as we talk to CEOs and people that are actually running business, they think a bit differently about risk. And so, at your time at Herbalife, there were some risks that you had to deal with. I'd love just to hear a CEOs perspective on risk and maybe if you could just on that. Yeah.

**Frank Tirelli:** Sure. I identified very early what I believed to be the biggest risk factor at Herbalife. And I say there were two. One, because we were involved with inner nutrition and outer nutrition, it was ingredients. We want to make sure the ingredients were –

**Mike Kearney:** What was going in was safe.

**Frank Tirelli:** You got it. The second was, remember I told you that at Herbalife, we had what was known as a direct-selling model? That means you use outside, independent contractors. Some people call them brand ambassadors. At Herbalife, we called them distributors. I had a million distributors. I had turnover. I don't remember exactly what the turnover rate was, but about 90 percent a year. And so, every year, you've got a million distributors. You've got 900 leaving, you got 900 coming back.

**Mike Kearney:** And they're your brand. They're the extension of your brand.

**Frank Tirelli:** And they're your salesforce. So my two risk areas were: ingredient oriented and what are my distributors saying out in the marketplace? The first thing I did—and this was a little bit controversial in the company. Bill Allison was a Deloitte consulting partner that was on Herbalife. And I sat down with him and his team and the person that I considered to be the lead client service partner in Herbalife, a partner named Herb Perlmutter.

**Mike Kearney:** Oh yeah, I know him.

**Frank Tirelli:** Took a lot of solace in the fact that he was the older partner. There was a—the senior tax representative was Jim Yeager. So I got Jim, I got Herb, and I got Bill in my office and I talked to them. And I said, "Look, I need a point person. I know all three of you. I have a high degree of respect for all three of you. But I can't deal with all three of you. When I got a problem, I want one person to identify. And that person is Herb. I don't care who Deloitte anoints as the lead client service partner, he's the guy that I'm dealing with."

And then I told them, "Here are my two biggest fears: something happens with our ingredients and something happens with our distributors who we can't control." So we put in a whole strategy. Now, most of it was consulting oriented. And we put in place steps to insure that the quality of our ingredients were exactly what we wanted. I had a very simple saying. Very simple. I'm a simple guy. If it's in the product, it's on the label. If it's on the label, it's in the product. Nice and simple.

That was a guarantee we made to our customers. We made them three guarantees. One, the product does what it says. It's efficacious. Two, the product's good for you. And three, if it's on the label, it's in the product. If it's in the product, it's on the label. Now, that sounds nice and simple.

But now, what we had to do was we put in a process where we tracked our ingredients all the way back to the raw materials provider. We did a lot of our own manufacturing. We had changed that. We didn't use a lot of third-party manufacturing. We did some, but small. But even when you're your own manufacturer, you're buying raw materials from someone. So, we identified the purchase of raw materials to be our highest risk because we controlled the manufacturing process.

Not saying something can't go wrong. Look, risks—something can always go wrong. But the biggest risk that we didn't control was the purchase of the raw materials. So we focused 80 percent of our emphasis on raw material purchase and testing. We tested at the person who sold it to us and when it got delivered. And then with respect to our distributors, we put in a very high level of compliance and product training. "This is what you say, this is what you can't say." Now, is the system perfect? Absolutely not. But those were the two risk areas that would "keep you up at night."

**Mike Kearney:**

Is there anything from a CEO's perspective—one of the things I oftentimes see is a CEO not necessarily understanding the value that a risk management team could provide. Do you have any—I don't know if you have any insights into this or not. But do you have any guidance, I guess, to risk professionals so that they provide more value or provide more insight or intelligence to the CEO? Do you know where I'm going with this is sometimes risk can be put off to the side and they kind of do their own compliance-related activities. And it may not be aligned with the objectives or needs of the CEO.

**Frank Tirelli:**

I'll say it differently. A lot of times, risk and compliance gets caught up in being reactionary rather than being proactive. And the reactionary stuff is not going to get you in trouble. You may not file something right with the department of labor. Okay, you're going to get a slap. You're going to play it fine. But the proactive risk control, something God forbid, gets into your ingredients, someone suffers major injury, that's to me, proactive.

**Mike Kearney:**

And it almost sounds like—I totally agree with you. And this is actually one of the things that we're trying to work on with clients is anticipating what those risks are, but then also bringing in—the word I use is intelligence. If you can help a CEO understand, "Here's the things you need to worry about." But even beyond that, "Here is potentially the onset of that risk because of some intelligence that we're bringing to you." Something so that it goes beyond, "Hey, here's a risk." We already know about it. "Here's something that you actually should be thinking about."

**Frank Tirelli:** Let me say it differently and make sure I understand. That always helps me understand. You have certain data to tell me that a supplement company, its highest risk is here and you're not focused on it.

**Mike Kearney:** Yeah. Exactly.

**Frank Tirelli:** That'd be—absolutely. We didn't have that back then.

**Mike Kearney:** I think that's an emerging area. And that's what –

**Frank Tirelli:** We didn't have that back then. Risk and compliance is not different than human resources. There's a lot of things you can do in human resources that are reactionary. Make sure people get evaluated. Make sure every six months someone gets reviewed for a raise. You know. And I'm not saying that's not important. But that's not human resources.

Human resources is spending time with your people, developing them. I've said very often in the professional services arena: The best human resource strategy is a revenue enhancement strategy. And the best revenue enhancement strategy is a human resource strategy. Because what your people want to learn is how to be successful in business. And they want to spend time with leaders. And if you have the right revenue enhancement strategy embedded into your professional services firm, you're going to have the best human resource strategy of any professional services firm.

**Mike Kearney:** In many respects one of the things I'm taking away is, it's risk from a compliance perspective is obviously important. But if you can bring more value through the risk process, whether it's insights or how you engage with the business or the things that you do, it's going to be more valuable. So, you came back to Deloitte.

**Frank Tirelli:** I did. Yeah. I had forgotten all about it.

**Mike Kearney:** Holy moly, you're back at Deloitte. Exactly.

**Frank Tirelli:** I sold Herbalife to two private equity firms which was a great experience from my perspective. Had to—we sold bonds in order to raise money to take the company private. I never liked the fact that Herbalife was a public company. Just because, when you're a multilevel marketing company –

**Mike Kearney:** Always defending yourselves and –

**Frank Tirelli:** Yeah. If you're a private company, then people are worried about shorting your stock or what your stock price is. It's not important because they can't make money on it. When you're a private company, no one cares.

**Mike Kearney:** No one cares, exactly.

**Frank Tirelli:** We really had to—when Mark died, the way his trust was structured, once we got the stock price to a point that we thought was very appealing, and it wasn't in the beginning. We then made the decision to invite in a number private

equity firms. And we got the stock price to a level that we thought was excellent. And we ended up selling the company to two private equity firms and Herbalife has done great. Great leadership. Great in the marketplace. Couldn't be happier. Love that company. Couldn't be happier.

**Mike Kearney:** So what made you—well, what was the timing? After you ended up selling Herbalife, you left Herbalife, to when you came back to Deloitte?

**Frank Tirelli:** I got a call from a gentleman by the name of Bill Parrett. Think you know Bill.

**Mike Kearney:** I've heard of the guy.

**Frank Tirelli:** He's an iconic global CEO. And iconic US CEO. Also a good friend. He said to me—he knew I was a sports fan. And he said, "Look, there's an event taking place in Madison Square Garden in New York." I'm living in LA at the time. "Why don't you come out and we can have dinner?"

**Mike Kearney:** Was this a Knicks game or...?

**Frank Tirelli:** No, no. It was a boxing match. And I said, "Bill, you're calling me from New York. I live in Brentwood. And you're telling me to come out for a fight and to have dinner. Why don't you really tell me what's on your mind." He goes, "No, no, no, no." I said, "Bill, we go back a long time." And we do.

I was a—Bill was the office managing partner of the newly formed Connecticut practice and I was a staff person. I got transferred up from New York after two years and I worked in the Connecticut practice. What a lot of people don't realize is that Bill was the—eventually, obviously, not right away. Bill was the office managing partner of Connecticut. I was the tax managing partner. And Greg Weaver was the audit managing partner.

**Mike Kearney:** Greg Weaver made me partner.

**Frank Tirelli:** Yeah. So Greg's another iconic—someone once asked me, "How do you get three egos into the same room?" I said, "I put Bill and Greg in a different office." So, Bill called me up and I gave him a hard time, but I ended up going, meeting him for dinner. And he said to me, "You know, something is going on in Italy and I don't understand it. I think I have a problem."

And I said to Bill, you know, I told you, Bill and I were close. Doesn't mean Bill and I didn't have differences. Bill and I had some significant differences. But I always had a high degree of personal and professional respect for him and I believe vice-versa. And I said, "Bill, next to me, you're the biggest control freak I know. And you're telling me you think you have a problem?" I said, "That makes no sense."

And he said, "Well, I got a problem. I just don't know how big it is." I said, "Okay." He goes, "Would you go out there and look at it?" I said, "Bill, look, I have no problem going out there to look at. But you got a team of people here.

Why don't you send them out?" He goes, "Frank, I've sent teams of my financial advisory services people out, my CFO department, and I still can't get a straight answer." I said, "Bill, what do you"—so I said, "Fine. I'll go out there."

Wanted to spend some time in Italy. It's where I'm from. And I always had a goal that I eventually wanted to learn how to speak better. So I go out to Italy and I spend a couple of weeks there. And what had happened is that the Deloitte and Touche firms had just combined with the former Arthur Andersen firm. Now, it wasn't a legal merger because of what happened with Arthur Andersen. But I would say that 90 percent of the former Arthur Andersen firm in Italy combined with the Deloitte and Touche firm.

Mergers in professional services firms are always very interesting. and I had lived through the Deloitte Haskins & Sells into Touche Ross. I knew what to look for. Before I even went there, I could have told you what was wrong. But I was a little concerned because all of these other people had gone in and they didn't identify what the problem was.

So, I went in. I spent a couple of weeks and as you would imagine, people would try to stonewall you, not giving you information. You know, this person says they don't speak English and they do speak English. But that's –

**Mike Kearney:**

What you would expect.

**Frank Tirelli:**

But it was a great experience. What I found out was exactly what I thought. You know, you had a merger of two really outstanding professional services firms. All of whom had what I would classify as delusions of grandeur. When two great professional services firms merge, they say, "Wow. We, Deloitte, we're really strong in manufacturing, trade, and energy. And we," the former Arthur Andersen firm, "are really strong in financial services and technology. And we combine that together, we're going to be a powerhouse in the marketplace."

**Mike Kearney:**

Yeah. On paper, it looks great.

**Frank Tirelli:**

And in the future. What they didn't realize was that the first thing that happens after two great professional service firms merge is they contract because you lose clients. Because there are conflicts. Coca-Cola doesn't want the same auditor as Pepsi. You have that issue in Italy. So, what we find out is we've got 30 percent more people than we need. We have 30 percent more real estate than we need.

And I want you to think about that for a second. We had about 6,000 people. So that means about 1,800 too many people. And Western Europe outside of the UK is different than the US. In the US, you've got 30 percent too many people and somebody sends out a memo and you get rid of 30 percent of your people.

Italy is an environment where people don't get fired. That doesn't happen. I had senior, senior partners in my office almost in tears telling me that they never had to fire –

**Mike Kearney:** A single person.

**Frank Tirelli:** Not a single person. But there were incidents where they had to fire because someone did something wrong. But never a, what we would classify in the US as a layoff. So I go back to Bill, tell him what the problem is. He goes, "Great. How much is it going to cost me to get out of this problem?" I said, "Well, you didn't ask me that. You just asked me to tell you what was going on."

**Mike Kearney:** Tell you what the problem is.

**Frank Tirelli:** I'm one person there, what do you expect? And he says, "Well, go back and find out how much it's going to cost me."

**Mike Kearney:** So can I ask: so at this time, are you almost just an advisor or a consultant? You're just going there –

**Frank Tirelli:** Yeah. I'm an advisor. I'm getting paid. You know, I'm not doing it—I like Bill. I'm not doing it for free. So he goes, "Look"—I wanted to do it. And so I said, "Okay. I'll go back there." So Bill and I both went to Italy. And Bill told—Bill was very straight with the partners, very transparent. He said, "Look, we all know you got a problem here."

The way Deloitte had been structured, Bill can't come in and tell those people what to do. He goes, "You have to vote Tirelli in as your chairman and CEO. You have to change your legal structure so that Tirelli has the requisite powers to straighten out the firm." So, not to get into the legal complications, but what we did is—what I call the one man, one vote. Me. Because what I had told Parrett and DTT is we have to move quickly. And we couldn't go through the normal partner voting process to get things done.

**Mike Kearney:** Well and also bringing everyone on the journey and winning the hearts and minds. And then like you said, the vote. You just needed to have authority.

**Frank Tirelli:** I'll tell you what surprised me was the level of talent of some of the people we had in that firm. It was incredible. The former Arthur Andersen firm had some of the best technicians I've ever worked with. And I've worked with the best. They were outstanding professionals. Outstanding. And from the Deloitte side, they were very good in the marketplace. So, I knew once we got this firm structured properly, we were going to be a powerhouse in the marketplace.

**Mike Kearney:** Frank, it almost seems like you had to change very quickly the culture that had developed over years.

**Frank Tirelli:** On a dime. We had to change it on a dime. Got rid of leaders; put the leaders I want in. I had—what was great about that experience was I had no time to think. I think there is a perception of cultures. And Italy has a perception of Americans, even Italian-Americans. They knew that my parent’s family from Italy, but I’m an American. Born and raised.

**Mike Kearney:** How did they accept you when you came in?

**Frank Tirelli:** Very hesitantly. I mean, they stonewalled. I think they did not realize that I wasn’t particularly intelligent and I wasn’t particularly talented, but I was relentless. I was there twenty-four-seven. Twenty-four-seven. I just outworked them. They thought I was going to be going back to the US for a week and coming back to—oh, absolutely not. I was there twenty-four-seven.

**Mike Kearney:** Do you think there was any benefit for you being an outsider? And what I mean—what I’m trying to channel is, in a time of crisis, which you could argue to a certain degree this was a crisis—is there value in bringing somebody in to manage through that that’s not part of the core group that was there?

**Frank Tirelli:** I’m going to say it differently again.

**Mike Kearney:** I like when you say things differently. You clarify what I’m trying to get at.

**Frank Tirelli:** I believe the fact that they didn’t know me was an advantage because I sat down with the leadership team and I was very blunt with them. I said, “You don’t know me. Now maybe you have some people in the US that you have relationships. I suggest you speak to them. Because let me tell you what’s not going to happen. One, I’m going to outwork everybody in this room. And two, once I make my mind up, that’s it. It gets done. And this is what I made up my mind to do.”

I think when I had that meeting with them, that was a turning point. And they understood—they had some word for me and I can’t remember what it was. Maybe I can’t repeat it either.

**Mike Kearney:** We could talk—we could use some words. This isn’t PG-13 is what I’m trying to say. So Frank, one of the things that you just made me think about is: it seems like one of the key attributes in a time like this is clarity of communication. Would you agree with that?

**Frank Tirelli:** No question. I think it was very important to be transparent. I think it was very important to be honest. And I think it was very important to constantly communicate. Something that I told all our people—and I told everyone that we had to downsize by 30 percent. And there are some cultural commonalities amongst people, too. People have egos. People have pride. And people want to be treated with dignity. That’s something that’s always been important to me.

Sometimes people say, “Well, you should get rid of that person and make an example of him.” I never did that. And there were times when people who were

my boss told me that I should get rid of this person and make an example of them and I never do that. Because I don't care who you are—unless you did something wrong, morally wrong.

**Mike Kearney:**

Something against the law or that, yeah. Against company policy.

**Frank Tirelli:**

You've got to give that person dignity. And I've always wanted to treat everyone with dignity. And what I told all the employees in Italy was, "This is the situation we're in."

So I was extremely transparent with our people. And one of the things I told them is, "I understand that when you get let go, it's traumatic. It affects your ego. It affects your self-worth. You question yourself. And you don't know me and I'm going to try and communicate this effectively. But what I want you to understand is the fact that if you are one of the people that we are letting go, it does not mean you're not talented. It doesn't mean you're not intelligent. And it doesn't mean you're not going to be incredibly successful somewhere else. We got a problem. We have 30 percent too many people."

And I gave them an analogy. And the analogy I used was the soccer player, Francesco Totti. I won't use that example here. The example I'll use here is—I'm not a Patriots fan, but Tom Brady. So, we'll say that arguably, Tom Brady is the best football player in the NFL. Well, I want you to envision for a second that you got 50 Tom Bradys on your team. The Tom Brady who plays quarterback, I'm—I feel pretty good. But I'm not sure about the Tom Brady who's playing left tackle. I'm not sure about the Tom Brady who's playing middle linebacker. You follow my logic? I can't use 50 Tom Bradys. I need one.

And so, the 49 Tom Bradys I'm letting go are still Tom Brady. Still the best quarterback in the NFL. I just need one. And I'm not sure how accepted the explanation was, but I think they appreciated the fact that we tried to leave them with some dignity. I'm not telling you that everybody that we let go left with dignity or didn't sue us. But we must have let go over a thousand people. And I think we had two or three lawsuits.

**Mike Kearney:**

I think what's important though—well, you treated them with dignity. I don't want to keep using that word. But sometimes, there is the risk that you look at these individuals just as low performers. And I think what you're saying is, these people are fantastic. They have a lot to add in this world. Just at this point in time at Deloitte it's not the place because we've got the resources that we need. And so you left them so that they could hold their ego intact and go on and move to do something else.

**Frank Tirelli:**

I'd say—the answer to your question is yes. But I'd also add this—and I think this is universal. In order to reach your maximum level of success, you have to be in the right environment for you.

And a lot of times, it's the way—and we don't mean to do it, but it's the way we communicate it. We got to get rid of our lowest performers. Now you've got that stigma. Or a leader will say, "Mike, you gotta get rid of your lowest performers. Get rid of your lowest ten percent." And you may not communicate that, but they hear about it. People hear everything. And when they hear, "Gee, I'm one of the lowest ten percent performers? Is that right?"

And they leave and they're upset with the firm and their dignity is—it's okay to be upset with the firm. You have to keep their dignity and their ego intact. Not always gonna be successful, but you have to try. And what's really important about that—not that the people who leave leave with their dignity intact. The rest of your people see the way you treated them. And if you don't treat them like that, when it comes time for them to leave, they're not going to tell you ahead of time. You know when they're going to tell you? When they've already accepted the job. That's right.

**Mike Kearney:** So Frank, it's pretty clear what your initial priorities were. Is there anything that you would have done differently when you reflect on it? Like in that initial stage when you came in and I think it was, you were very focused on being clear, concise, and communicating what you were going to do. You obviously needed to deal with the people. The fact that you had more people than you needed. But in reflecting and what I'm trying to pull out is: as leaders come into crisis situations like that, is there anything you do differently or any learning? Anything you would impart on other leaders coming into a similar situation?

**Frank Tirelli:** If I said no, then that may be a bit arrogant to say I did everything perfect the first time around. But I'm going to tell you, when I look back on my experience—and I absolutely loved my experience. There is nothing that could have transpired in my career that I would have sacrificed for doing the Deloitte Italy CEO and Chairman position. It was—I can't tell you how indebted I am to the firm for bringing me that opportunity. And indebted to DTT, the global firm, and to all the global leaders, Bill Parrett, John Connolly, and quite frankly, all the European CEOs because they're the ones who gave me the support. But my career would not have—I would not have felt fulfilled looking back on it now, had I not done that. I tend to look at—just an ego statement: that's my legacy at Deloitte is what happened in Italy.

**Mike Kearney:** What you were able to do. Can you touch on that? What's the end of the story—obviously the story's being written –

**Frank Tirelli:** Ah! I want to hit on that. Let me tell you what I've learned.

**Mike Kearney:** I got him! He's excited!

**Frank Tirelli:** Let me tell you what I learned. You're not successful unless your successor is successful. And that's something I never focused on before. I think from an ego

standpoint, people like to think, “Well, if I’m not there, maybe the firm’s going to fall apart.”

**Mike Kearney:**

It’s all about me. Yes.

**Frank Tirelli:**

Nobody’s indispensable. But I am. I realized as—when I realized that this was going to be my legacy. Now, whether anybody else considers that my legacy is not important—I’d like them to think that, but it’s not. What’s important is that I consider my legacy. And what I wanted to make sure when I left there was: I wanted to make sure that that firm continued to be successful.

Otherwise, people would say, “You know, Tirelli. Strong personality, strong-willed guy. It was successful because he imposed his personality on the firm rather than, he built the firm to last forever.” Right? And my successor was Enrico Ciai. And arguably, Enrico’s doing a better job than I did because the firm is thriving. People are being developed; leaders are being developed.

As I mentioned when I first got there, they had—the Italian partners—some of the most talented partners I had ever worked with. I was really surprised at the level—in all the functions, but especially in consulting. Consulting had ten partners that I thought could run consulting. Consulting’s got ten partners that I think could run global consulting. That’s how talented those guys are.

And I’m not going to mention names, ‘cause I know I’m going to forget someone. But these guys, the consulting—all our functions had a problem when we got there, but consulting had the biggest problem.

**Mike Kearney:**

Frank, last question on this. And this is more just kind of now that you’ve had a chance to reflect. Why do you think certain leaders thrive in these type of situations and some don’t do well? Is there any secret sauce that you would impart on other—maybe things people could work on or think about as they may enter a crisis?

**Frank Tirelli:**

A lot of that is individual driven. From my perspective, people would say, “He may thrive to win.” I don’t care if I win or not. I hate to lose. I hate to put my mind to something and not accomplish it. I don’t care if I don’t win. But I don’t like to lose. And I can’t tell you what the difference is. I don’t care. I don’t care if I win. It kills me, kills me if I lose.

**Mike Kearney:**

Absolutely. We’re going to pivot—this is my favorite part of the conversation because now it’s your collective years and your wisdom on leadership and on people. I’m going to roll through some questions. The first one is maybe a bit self-interested. But, I’m always curious to understand how a CEO thinks. And so, one of the things a lot of times CEOs talk to me about is, “Hey, you know what? Yes, I manage risk. But I’m in the business of taking risk.”

As a CEO, and maybe even as a—think about this. But how do you balance risk-taking from managing risk, especially to your brand, thinking about when you

were at Herbalife or at other places. How do you balance that? Or did you even think about it?

**Frank Tirelli:** No, I thought about it a lot. Thought about it a lot in Italy. And I will tell you that in Italy, I was a lot more risk-adverse than I was when I was at the US firm. And for a number of reasons. One, when I was in Italy, the brand was much more important. And I'm not going to tell you I wouldn't take any risk, but almost no risk.

**Mike Kearney:** So it's almost, to a certain degree, the situation [Crosstalk] determine.

**Frank Tirelli:** Look, you had the Deloitte brand. Got tarnished in what happened in the initial merger. Everyone in the marketplace knew we were doing poorly financially. Everyone was projecting we were going to go bankrupt and go out of business. We had a well-publicized law suit with Parmalat. So, the most important thing, from my perspective, was to right-size the firm, make it profitable, start the growth engine and protect that brand. Which meant almost no risk. Now, had I taken over Deloitte Italy in a different situation, I may have been willing to take on a little bit more risk. But in that situation, I wasn't willing to take on any risk.

**Mike Kearney:** Absolutely. Interesting. How about—I know you're passionate about people. Can you share your philosophy on developing and mentoring people? It's something you and I have talked offline quite a bit about.

**Frank Tirelli:** Sure. If I look at what I've done with respect to people, I've always tried to emphasize to them that regardless of who you are, regardless of how much talent you believe you have or don't have, everybody has got an area where they excel. Everybody. And what I tried to do was put in place processes that found that one area where you were outstanding and exploited it. Because I truly believe everyone's got that one area.

**Mike Kearney:** Why do you think—so there's almost a presumption in that comment that a lot of people aren't focusing on their core genius or their strengths. Why do you think that is?

**Frank Tirelli:** Yeah, because a lot of times institutions have a model for success. And they want everybody to fit into that model. This is what you do. This is how you get to be successful. And maybe it works for 50 percent of the people. But you got another 50 percent who respond to something a little bit differently. So it's—one of the reasons I didn't enjoy my regional managing partner position as much as I did my tax managing partner position is my tax managing partner position I was supervising 600 people. My regional managing partner position, I was managing 6000.

Now, you want to create a culture and you want to create systems where this is replicatable. But with 600 people, I could just about get to know everybody. And I touch people all the time. I walked the halls, I knew when their birthdays were. I'd say something, not a big deal, "Hey, special day for you today, huh?" Just

something that: one, let them know they were important. And two, I always asked them to find the area where they thought they were really good.

For example, in our business, some people are really good at certain clients, but terrible at bringing in new clients. Conversely, we've got some people who are really good at bringing in new clients, but not really good at servicing them. Okay? So maybe we use a service hour measurement to see if someone's successful. You've got to use different metrics in order to determine if someone is successful. And part of that is from my career. People would say, "Oh, you got to partner because you brought in a lot of business."

Maybe. But the business I brought in was from existing clients. I'm a basically, I'm a taciturn person. Somewhat quiet by nature. I'm not good in a room full of people that I don't know. Now, I can force myself to be good, but it's not something that I enjoy. I know people who absolutely love it. But, you put me in with a warm relationship, someone who's a client, and I do a great job with that person. I need a warm relationship. Difficult for me to get a cold relationship and make it warm. But you need those types of people.

So, that's just an example. I can give you a lot of strengths in different areas, but those apply to professional services firms. So, what I developed over the years, in part, is what I call my customer service blueprint dashboard. And that's how I managed the entire practice. I took every client we had. I took every future client, didn't call 'em targets. Words make a difference. Target means maybe you get it, maybe you don't. Future client says, "I'm going to get it."

And so, I organized every single client we had, every future client we had, every area that we brought value, and I assigned every single person in our department to a existing client—you know, client service teams, but they're already there—or to future clients. And those teams—we organized around teams—had to meet monthly. And they had revenue goals. And they had all the value propositions we had for the marketplace. And they had to ensure that got brought out to our clients.

But the real, what I call magic sauce, in that process was that your people from entry level to senior partners, met monthly. You show me a human resource model that is better than that. And they were all working to get better at what they came into the firm for. Now, I'm not telling you the compliance side of human resources is not important. Is it. But what your people really want is the ability is to develop their skill set to be successful in client service. It's why they came here. And to interface with the best client service people we have, which is our partners, directors, senior managers, et cetera. And this system did that.

**Mike Kearney:**

And it also goes back to your point about, they probably were able to focus on the things they were good at. Great at.

**Frank Tirelli:**

That's right.

**Mike Kearney:** I know you have a formula for thriving. I think there's five elements to –

**Frank Tirelli:** Success! Yes.

**Mike Kearney:** You want to share 'em?

**Frank Tirelli:** Sure. Before I give you the five attributes that you need to succeed, I think it's important for people to understand, the activity that you're going to succeed in is determined by you. Okay? Not your spouse, not your children, not your parent, not your pastor, not your rabbi, not your partner in charge. You make the decision in what activities you're going to be successful.

**Mike Kearney:** Take ownership.

**Frank Tirelli:** And society doesn't define what success is, you do. So, we get that out of the way. I don't –

**Mike Kearney:** That's pretty—can you maybe drill down just for a second because that's pretty important. Because I think what the implication is –

**Frank Tirelli:** Sure. If I asked you: what's success? Most people—you, I meant plural, not you personally. Most people say, "Well, I got a nice job, you're making good money. You got a nice house. Nice family." Okay. Maybe. I don't know. That's your decision. Now, society will have a definition of success. And if you want to marry yourself to society's definition and it really doesn't meet your, to use your term, purpose, you're going to have a pretty empty life. You're going to work for 30 years. You're going to be the CEO of Deloitte in the US. And you always wanted to be a professional football player. Crazy example. But you're the one who has to define what success is. Not somebody –

**Mike Kearney:** Frank, I ask you this because I actually think there's a lot of people out there—and you went back and talked about how you look at your goals and the things that you do. My guess is that's linked back to the things that you actually like to do, the things that you've chosen. I think what's really important is for people just to stop and think about that which is important to them and make sure they're not being influenced by all those other groups. And then, put their career or whatever it is, on a trajectory that gets them excited.

**Frank Tirelli:** Yeah. Pick a number of things that you really like to do. Now look, this is life. There are times you have to do things you don't like. But if you pick an event and you want to be successful at it, I guarantee you, you do these five things, you'll be successful. Guarantee it.

**Mike Kearney:** Okay. Everybody, get your paper out.

**Frank Tirelli:** I want to emphasize there are two things that aren't on there: intellect and talent. Now, I'm not telling you that intellect and talent aren't important. They are. But, if you want to be successful, I'd say 98 percent of the population has

the requisite talent and intellect to be successful. So that's not going to be the determining factor.

Factor number one: if you really want to be successful in something, you better be passionate about it. If you're not passionate about it, and passion has different connotations and different definitions. If you want to say with purpose that means a lot to you, you can do that. But when I mean passion, I mean when you go to bed at night, you can't wait to get up the next morning and do it. You're passionate about what it is.

Two, you gotta have a plan. And that plan should be written. That doesn't mean that plan doesn't get changed. It does get changed. The plan is not a to do list. The plan is exactly what you define as success, what steps are going to be needed for success. Now, as you age, as you get older, as your life situation changes, so will that plan. But this is a plan—I look at my plan every single morning.

**Mike Kearney:**

Can you—'cause you said that, I just want to make this real. 'Cause I actually could show you on my phone, I have a plan. But what does yours look like? Not going into too much detail, but just maybe make it a little real for people that are listening.

**Frank Tirelli:**

Yeah. I've got a three-page plan. The beginning is the steps—what I should do every single morning. Just to reinforce. I know what they are, but just to reinforce it. Two, I have my value system. This one's important to me. Friends, family, treating people fairly, treating people with dignity. My values, for lack of a better term. Mine. Not yours. Not yours, mine.

I then have a list of items as to what I should be thankful for. I have enough money to eat. I have a roof above my head. I have good friends. I have good family. I can do things for institutions, charitable institutions that are important to me. Just, you know, I'm not going to forget them, but it's nice to look at every morning.

And then I think about a couple people who've had traumatic accidents, traumatic. Spinal cord injuries. And I think about them before I go to bed and I think about them when I wake up. And I say to myself, "You've got it pretty good, Frank." Regardless of what's going on in your life.

And then I have certain goals I want to attain. And those goals are in different categories. I've got physical fitness goals. I've got career goals. I've got financial goals. It's not real detailed. This whole thing is only about three pages. I get through it in three minutes. And then I read through my seven pages of quotes. The quotes that are important in my life. That's my plan. That plan changes. It changes. Maybe I meet one of my physical fitness goals a lot quicker than I thought I was—I change it.

**Mike Kearney:** But what's fascinating—and I appreciate you sharing that, 'cause most people think of goals in the context of this podcast and the way we talk about these as career goals. And what I hear from you is these are actually very broad, probably family, friends –

**Frank Tirelli:** You haven't been listening to me. These are the activities I want to be successful in.

**Mike Kearney:** I'm listening to you. Trust me. I'm going to show you my plan which is on my phone, so.

**Frank Tirelli:** Any activity that's important to me is on that list.

**Mike Kearney:** But I think that's important for people to think about because it's hard to live this dual life that many people do.

**Frank Tirelli:** And if you read it every day, there's a reason that you read it every day. It reinforces. Just reinforces what's important in your life. So, number one is passion. Number two is a plan. Three is focus. When you're doing an activity that you want to be 100 percent successful in, you have to be 100 percent focused.

Let me give you an example. You make the decision that you manage 100 people. And it's very important to you that your people see you as just outstanding in human resources. That's important to you. You want to be successful in that area. One of your people come up to you and say, "Gee, Mike, you got 15 minutes this afternoon? I'd like to get together with you." "Sure. Come down to my office. 3:00, got plenty of time for you."

Person comes to your office at 3:00. For the next 15 or 30 minutes, however long you spend with that person, the most important thing in your life—in your life—is that person. Regardless of how trivial their problem will be. And believe me, it'll be trivial. But, it won't be trivial to them.

What does that mean? It means your phone is off. You're not checking text messages. Your computer's off, you're not checking e-mail. There's nothing on your desk. You're not checking your to do list. You're not thinking about dinner with your wife tonight. You're 100 percent focused on that individual because if you are a bit distracted, that person will see it. You may not think they see it; but they will see it.

**Mike Kearney:** Oh yeah. How many times have you gone into people's offices where their assistant comes in or they're checking their phone. Yeah, I agree with you.

**Frank Tirelli:** Tell me something, when you meet with a CEO, do you got your phone on?

**Mike Kearney:** No.

**Frank Tirelli:**

Are you checking e-mails? You checking your to do list? Of course not. Okay. Every person that wants to see you is that CEO. So, one, passion. Two, plan. Three, focus. Four, discipline. Because some days, the passion's not there.

I'd say passion and discipline are somewhat interrelated antagonistically. Meaning, if you need discipline 80 percent of the time, you don't have passion. If you have passion 80 percent of the time, maybe even go 90, and you need discipline 10 percent, that'll work. But there are some times when you're going to need discipline. And here's the example I give people.

I do not believe I can pay you enough money to be miserable for the rest of your life. I can pay you enough money to be miserable for a year or two, but probably not for the rest of your life. Because that would mean that at 100 percent of the time, you have to be discipline. It can't be discipline 100 percent of the time. You gotta have passion about what you're doing.

Now, look, there are exceptions to everything. You know, you come over on a boat, you don't speak English. You want to get your kids educated. You work at a job where you're miserable. You work in the mines. I get it. I'm not talking about that. I'm talking about 80 percent of the population. Five –

**Mike Kearney:**

Can I ask before you go on, how—can you make discipline—how have you been able to bring discipline into your life? Do you have an example of maybe something that you've done, whether it's a personal or professional, just to make it real?

**Frank Tirelli:**

No, I never. I never realized what my two greatest strengths were. Just didn't know. But they were evident when I looked back throughout my life. And my two greatest strengths are I have a very high capacity to work and two, I may be the most disciplined person in the world. Now, I'm exaggerating, I think. Now, the problem is. You find out that sometimes those kind of strengths now become your weakness.

Sometimes you're too disciplined. Sometimes you work too much and you're ineffective. I remember reading a story about a CEO who said that they worked a hundred and something hours a week. You may have been in the office a hundred and something hours a week, but I can guarantee you're not working. You're not. You're fighting sleep. After that, it's an ego contest. Who spent the most time in the office. That's complete garbage.

Last, and for some people maybe most important, is the ability to overcome adversity. As you walk down a road and it's a road that nobody else has ever walked down before. You're eventually going to hit a wall. And when you hit that wall, your nose gets bloody, your eye gets swollen, and you're going to want to do one of two things. You want to turn around and just walk back.

Now, that road isn't dangerous anymore because you already walked down—and that's fine. If you want to walk back, that's fine. You take three steps to the

left or three steps to the right and go down another road that no one has ever gone down before. And you will find that the people who tend to attain their success are those who can deal with adversity.

**Mike Kearney:** What's interesting is in many respects the inspiration behind this podcast: resilience.

**Frank Tirelli:** Yes.

**Mike Kearney:** I love it.

**Frank Tirelli:** Yeah, that's right.

**Mike Kearney:** I love it.

**Frank Tirelli:** I never thought about that. You're right. Resilience and adversity, the same thing.

**Mike Kearney:** I love those. So this is actually probably one of my favorite topics. Although maybe for a resilience podcast, it may not feel as apparent, but I think it is. Is the fact that when I think of you, kind of that whole notion of wellness/well-being comes to the top of my mind. And I would say, in the context of professional services or the work that you've done, why has it been so important to your success?

**Frank Tirelli:** Why has what been so important?

**Mike Kearney:** Well-being, taking care of yourself?

**Frank Tirelli:** I'm hesitating because it has always been a very important part of my life. Arguably, outside of the usual, God, family, et cetera, the most important part of my life. It just developed that way. There was no conscious decision. It's always been an important part of my life. It's always kept me grounded. It's maintained the discipline. It's kept me out of trouble when I was younger. It kept me out of trouble when I was older because I had to get up early in the morning. I couldn't stay out late.

**Mike Kearney:** Goes back to that discipline thing.

**Frank Tirelli:** Even more than that. Even more than that. I realized very quickly when I started my career with Deloitte that if I wanted to maintain my devotion to physical fitness, that I had to figure out a way that Deloitte was not going to interfere with that activity.

**Mike Kearney:** Do you think that, after reflecting on it, that it's actually helped you enhance your performance over time?

**Frank Tirelli:** Yeah. No question. No question. What I discovered, and again, this is for me. But I think it's pretty common. Most problems, with respect to your work, come toward the end of the day. Because at the beginning of a day, you got the whole day to solve a problem. Then all of a sudden, it's 4:00, 5:00, 6:00, client is

panicked. They have to get home. They got a problem. They call you up; you have to solve the problem.

One of your people, they've got a problem. I always used to tell people who— not necessarily single parents, but if you have a young child and they're in school and you're still wanting your career to be successful and you had to share duties with a spouse. I would always say, "Look. The best way to work is to get to the office about 10:00-10:30, so you can work past 6:00. Because when you leave before 5:00, even if you got in at 4:00 in the morning, everybody notices you're leaving early. But if you get in about 10:30-11:00, nobody really notices you're getting in late. And you're still in the office at 6:00, when all the problems come around."

So, what I realized was, in order for me to maintain the activities that were important in my life and still attempt to have a successful career, I had to do these very early in the morning. And so, very early in my career with Deloitte, I started my physical activities in getting up at a time –

**Mike Kearney:** What time would you wake up?

**Frank Tirelli:** 3:30.

**Mike Kearney:** Okay. I'm a 4:30-5:00 guy.

**Frank Tirelli:** And I still do it, by the way. I still do it. I found out that I get more done before 9:00 AM, even when I was full-time with Deloitte, then I did after 9:00 AM.

**Mike Kearney:** Interesting. So you also talked about—and I don't even know what the answer—I don't think you ever gave me the answer. when we were trading e-mails once, you said, "I have an afternoon routine that helps me get through the day." What is that?

**Frank Tirelli:** Because I get up so early in the morning –

**Mike Kearney:** So it's actually night time for most people.

**Frank Tirelli:** And I started this when I was in my twenties. So, anyone out there who's saying, "Frank's old now, so he's got to take a nap in the afternoon." I started in my twenties. And it's not a nap.

What I—some people would call it meditation, although I don't. What I started doing is around 2:00, 2:30 in the afternoon, I would take about 15 to 20 minutes. And I'd sit in a comfortable chair in an office, no distractions, and I go to what I call nothing. I try to get my mind completely blank. And that's not an easy thing to do.

**Mike Kearney:** Not especially at 2:00, 2:30 in the afternoon.

**Frank Tirelli:** Not at any time. And I had to work at it for a while. It's like anything else. The first time you play chess, you're not a great chess player. You got to work at it.

The first time you walk as a child, you weren't very successful. You got to work at it. People try things once or twice and say, "Nah, that doesn't work for me." I say, "Well, what are you really good at?" "Well, I'm a great piano player." I said, "How good a piano player the first or second time you tried it? You gotta work at it." And I did.

And I got to the point where my mind could be completely blank. And I felt refreshed. So then I took it another step. What I did is I got completely blank and then I—and this is going to sound strange. What I did is I took my mind and I separated from my body. And I looked at myself outside of my body and I tried to analyze problems I was having as a third person. And I got pretty good at it.

**Mike Kearney:** So your routine was to clear your mind and then go to that place.

**Frank Tirelli:** Yes. You have to clear your mind first. I get my mind to nothingness and then I pull my mind out of my body. It sounds weird, but –

**Mike Kearney:** I think you're a closet meditator. You may not want to call it meditation, but that sounds like it.

**Frank Tirelli:** And then I look down at myself and I analyze any particular problems I had. And I believed I was able to do that as a third party, rather than being emotionally involved. Meaning, I could separate myself emotionally and make a decision that lacked emotion in a situation where emotion was high. I don't know if I communicated that effectively.

**Mike Kearney:** No, I got—so, it's interesting that you talk about—I think this is how the exchange started is every morning after I work out. And for some reason, it's right after I work out. I do a 20-minute meditation is very similar to what you say. And what astounds me is when I don't do it is how there's so many things I make up in my mind honestly, that just aren't reality. Like, "What is somebody gonna think?" Or, "What if this goes wrong?"

And there's no reality to it. And it's crazy what our minds do. So if you can begin to take control of your mind, it actually can make you much more effective. Which it sounds like –

**Frank Tirelli:** What do you think you were worried about a year ago today?

**Mike Kearney:** Something that I don't remember today.

**Frank Tirelli:** You have no idea.

**Mike Kearney:** I have no idea.

**Frank Tirelli:** You have no idea.

**Mike Kearney:** Right. Right. That's it exactly.

**Frank Tirelli:** Somebody once said—and I don't know if this is a direct quote, that 98 percent of the things you worry about never come to fruition.

**Mike Kearney:** I think that's my point. That's exactly my point. So let me ask you a question. I'm going to go through a couple of rapid questions. What one piece of advice—so if you have some kid that's just coming into the work world, what one piece of advice would you have for them? Only one.

**Frank Tirelli:** You have to love the brand of the company that you're working for.

**Mike Kearney:** So let's go back to the title—and we put a lot of thought into this—of the podcast is resilience. What is an attribute or a couple attributes of a resilient leader? And I think just going back to your five elements, yours was adversity. So, you've given a lot of thought to this. But what do you think are the attributes of a resilient leader?

**Frank Tirelli:** Well, if you're asking me for one attribute, it's difficult. But I would—if you truly believe in something, and you truly believe it's the right direction, you have to be relentless in pursuit of that direction. Absolutely relentless.

**Mike Kearney:** Irrespective of what others believe or –

**Frank Tirelli:** Absolutely. Because when you show people that you're relentless, they're going to know you're serious. And if they had any thoughts before about stopping you, they weren't going to do that. Now, your personality has to meet that. But I've—some of the greatest leaders I've seen, they may not agree with what I'm going to conclude. Got there because they were relentless.

**Mike Kearney:** Is there one person that stands out more than any in your mind? That's kind of an unfair question because –

**Frank Tirelli:** It's an unfair question. But, it's your podcast. And I would say yes. And I would say Bill Parrett. Now, Bill has all the other attributes. But in my opinion, what got him to where he got to—which, he's a global CEO. He was relentless. He picked out a goal. He truly believed it. Truly believed it. And would let nobody and nothing get in his way of accomplishing. Maybe hit a roadblock every so often. Maybe had to take a couple steps back. But as long as he truly believed that was the right answer, he pursued it.

**Mike Kearney:** What a great way to end it. Frank, thank you.

**Frank Tirelli:** Hey, you're welcome. Thanks for having me.

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**Mike Kearney:** Thank you for listening to [Resilient](#), a Deloitte podcast produced by our friends at Rivet Radio. You are already listening to this, so you probably know where to go to get the *Resilient* podcast. But in case you've forgotten, you can find us at Deloitte.com or even on your favorite podcatcher. I'm talking about places like iTunes, SoundCloud, GooglePlay, and even Spotify. Spotify is sending us so many listeners which is awesome. And when you go there, just put in keyword, "resilient."

I would also encourage you to check out some of our previous episodes. We've had so many incredible conversations with CEOs, board members, and leaders. Even leaders outside of the business world. And you know, I actually went to iTunes the other day and I was checking out our library of all the interviews that we have done to date and I really just want to stop and thank every one of the guests that have come on. I am blown away by the type of folks that we are getting on and the company, it's just incredible. Folks like Eric Pillmore at Tyco, my second interview. I remember doing it in a park in Charlotte, North Carolina. Or Paul Raines, CEO of GameStop. My kids were so jealous. Or my good friend Jackie Rice from Target. Or the general counsel from GE, Alex Dimitrief. This is just a small sample, but I've got to tell you, I am the luckiest person at Deloitte. Being able to sit down with these individuals and really ask them any question that I want, it has been really the highlight of my career.

If you are enjoying these conversations as much as I am, I would encourage you to share them with your work colleagues, family friends, anybody you think would get value out of this. And also, this is a second ask, but I would be unbelievably grateful if you could spend one minute providing a rating. Ratings play really a large role in how much the podcast gets promoted in places such as iTunes. If you could do me that favor, I would be so appreciative. And also, I have been getting a lot of engagement online—LinkedIn and Twitter. If you have any comments or recommendations for future guests, hit me up. I respond to every message. My profile is under Michael Kearney. My last name is spelled K-E-A-R-N-E-Y.

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