## **Deloitte.**



Resilient podcast: One-year anniversary A year of insights

## **Transcript**

Mike Kearney:Hello, everybody. Today is not going to be the typical <u>Resilient</u> podcast. I am not<br/>interviewing anybody, but you are going to hear a lot from all of the folks that<br/>I've interviewed over the last year. Today is going to focus on my journey in<br/>creating and hosting Resilient. It is about how the idea began. It's about how<br/>we, myself and my team, got it off the ground and what we have learned over<br/>the last year. Yes, we are going to be sharing some pretty cool insights from all<br/>the guests that I've been talking to and where we see it going in the future.

So when I talk to my clients, one of the things that I hear over and over again is they want to hear stories of leaders who have been there, done that. Leaders who have lived through a crisis, who really have learned what it's like in those first few days, and how they navigate through it. Leaders who have managed through significant risk events and heroes who have either disrupted or been disrupted and have some incredible takeaways. They absolutely want to hear these stories.

And you know, I've always personally loved podcasts. They're authentic. They're real conversations. You get the back story. And, you know, a couple years ago I came up with this crazy idea to run the New York Marathon. Now you're probably wondering what this has to do with podcasting. Well, one of the things that I learned quickly is when you run a marathon, you have to run—especially at my pace—for quite a while. And so I needed something to distract myself. I needed something that would engage my brain. And so I had been listening to some podcasts on the side, but this is where my love for podcasts really came about. I got the opportunity to listen to some great ones, hear their stories and their interviews with some incredible people. And in some respects, I felt like I was eavesdropping on some incredible conversations.

And so as a result of that, I came up with a crazy idea when I was leading strategic risk. I knew I wanted to hear stories from leaders on our tagline, "crisis, risk, and disruption." But I didn't want to do it in the way that you traditionally hear interviews. I wanted the back stories. I wanted to ask them any question that I could think of. I wanted to hear their stories. What did they learn? What would they do differently in the future? What was the actual thinking behind the decisions, the good decisions and the bad decisions, that they made? I wanted to have authentic conversations, no script. You know, a lot of times podcasts like this, they'd say, "Let's make sure that it's done in 22 minutes." I didn't care about time. I just wanted to get the conversation and share that with as many people as I could.

And so I brought the idea to our CEO and he was supportive. He thought, you know, this could be a great way to get client messages out and for us to learn from these incredible leaders. And so I was off to the races. I pulled together a team, an incredible team—Stephanie Tenore, Amanda Martial. There are many others. I love working with them at Deloitte. We came up with the name and branding. I love the name Resilient. It took a while for us to get it, but I loved it because at the essence of what we were trying to do was look for resilience, people who have been knocked down on their butt only to emerge stronger. And then I love the visual that we use. We were really careful. We wanted to show a really kind of authentic picture of somebody that's resilient. And the photo in Resilient is from a Mavericks surf competition a couple years ago, and the surfer is an Australian surfer. His name is Jamie Mitchell. So loved the picture—we bought it. We think it represents the essence of what we're trying to go for. And it was a bit of unique branding.

We also—one of our best moves was hiring a podcasting firm, Rivet Radio. We didn't know exactly what to do, so we hired professionals who understand what it's like to interview folks like this. They understand how to put together incredible podcast episodes—a great decision that we made.

Then we had to hustle for interviews. And quite frankly, this was the hardest, but it was the best part: going out and finding incredible leaders who wanted to share their stories. And you know, one of the interesting tidbits is I've learned that a lot of these leaders have never been interviewed in this way. And so they're excited or very open to sharing their back story, you know, the background on how they grew up, the stories of when they did lead through crisis, risk, and disruption, their principles on leadership. They were very open to it. So this has been a challenge, finding the right leaders to have on Resilient, but it was actually probably one of the most fun and most rewarding aspects of the journey that I've been on.

And so since that time, we have done over 20 episodes. And I remember it like it was yesterday flying on Southwest to San Diego and meeting with our first interviewee, Bill Roper. He was the former CEO of Verisign. It was in sunny San

Diego, and I knew instantly when I was asking him the questions that we were on to something. He was such an incredible first guest. I think he has probably one of the best voices for radio that I've ever heard. But I got to pick his brain around what it was like to be a board member, to be moved into the CEO role, to navigate a crisis that the organization was in.

So we have done, like I indicated, over 20 episodes with all different types of leaders. I think to be exact we've done 23, which is great for the first year. And I've been blown away by the conversations that I've had with these leaders. And I really do believe that anyone and everyone, from an experienced CEO to a kid coming out of college, can learn from these leaders and their experiences. You know, it's been incredible to hear their stories, how Paul Raines got ahead of disruption at GameStop, how Keith Wandell and Harley-Davidson bounced back from a 50 percent drop in sales, or how Mallory Weggemann overcame an epidural shot gone wrong. She is the epitome of resilience.

And the fact that I got to sit there and ask these leaders any question that I wanted has just been an incredible journey and I've learned so much. So much so that I begin to integrate these learnings and what I've heard from them in how I serve clients, how I think both personally and professionally. And it has been the highlight of my career. And today I want to share some of what I've learned. So I was on a flight from San Francisco to Washington, DC. I got literally every transcript of every interview that we've done and I read them. And I pulled out what I think are the most important learnings, the things that have truly impacted me, the things that I've heard from all of you as to the insights that have helped you in your career. So here it goes: some of the insights that I've learned from 23 interviews over the last year.

Okay, let's jump into crisis, the first area where I've been able to pull out a lot of great insights. And the first one comes from my interview with Paul Morell. Remember Paul? He was the American Airlines head of safety and risk management. And one of the things when I reflect on the conversation is how he talked about how the airline prepared for a potential airplane crash—not something that they ever want to think about, but so important that they're ready for it. And one of the things that Paul talked about is if you want to be ready for a crisis, you need to make sure that you practice before you are in the middle of one. And one of the things that I thought was incredible is—obviously an airline is going to practice for a plane crash, but one of the things that he talked about was, "You know what? We began to learn that it's not just about a crash. We face other types of crises in our organization."

**Paul Morell:** Now you're talking a little about other side of the equation.

Mike Kearney:

Yep.

Paul Morell:We talked about, you know, with accidents, what do we do? We determine<br/>what went wrong and what we're going to fix, right? Well, bankruptcy, in a

sense, is somewhat the same. But even more so, in the sense that in a bankruptcy something went wrong and you need to fix it, right?

*Mike Kearney:* Right.

Paul Morell:And it gives you the tools in order to fix it. But at the same time, you have<br/>opportunities to do things that you wouldn't have had otherwise, be it labor<br/>contracts, be it whatever that you need to take a look at where you are, where<br/>you need to be, and you have this fleeting opportunity. You need to take<br/>advantage. And when I say advantage, I use it—what word do I want to use? It's<br/>not really advantage, because that sounds like you're taking advantage of<br/>somebody. But you want to optimize—optimize your opportunity.

Mike Kearney:So the next area of crisis centers around communication. And there were two<br/>insights, two things that I learned from Eric Pillmore, my second interview. And I<br/>remember this one like yesterday, too, because I had this crazy idea of, you<br/>know what, let's try to do it in authentic, cool places. So we did it in downtown<br/>Charlotte at Romare Bearden Park. And there were leaf blowers, there were<br/>waterfalls, and so if you actually go back and listen to that one, it's probably<br/>from an audio perspective not the best one, but it certainly was a fun<br/>conversation. Eric Pillmore headed up governance at Tyco after the issues in the<br/>early 2000s. And he came up with a couple really interesting insights and they<br/>were focused on crisis and communication. The first is you absolutely have to be<br/>transparent during a time of crisis. This was one of the kind of values that the<br/>CEO Ed Breen lived by, and he said, "Transparency is your friend."

**Eric Pillmore:** Yeah, I think Ed framed it the first week he was in the job, and that was to say, "We're gonna be transparent about everything we find," and the most visible thing that happened I think within the first 30 days—we published an 8-K that highlighted all the wrongdoing we had uncovered to date. And we followed that process for the first 180 days of the turnaround, which I think was really important. I think he framed it as, "Let's take this company to the gold standard of governance," and the way he did that is he was influential in bringing Jack Krol, who is the former chairman/CEO of DuPont, in as the lead director to kind of take the lead, run the governance committee, and be lead director of the new board. And he really set a standard of governance that we would beg, borrow, and steal the best practices from every company around us, but then also become one of those that would be a leader in corporate governance going forward.

Mike Kearney:That was the gold standard. You know what? I love doing these podcasts at this<br/>park outside because I think everybody can hear in the background the<br/>gentleman blowing all the leaves. So this is fantastic.

The second one was they had to change company culture. And during a crisis they had to communicate—I think it was with over 250,000 employees. And guess what they did? They shut the company down for a day because it was so

important to the CEO that everybody in the organization understood the conduct that was expected of every single employee. So they shut the entire organization down. So the learning there is if you want to get something done, especially in a crisis, you need to do something that has a big impact. And I'll tell you, shutting down an organization the size of Tyco to communicate what you expect of employees is certainly a statement.

*Eric Pillmore:* The other thing I will tell you is, you know, to get 240,000 people to acknowledge that they've signed the guide— which was one of the requirements of the board. They said, "Look, we want to make sure people get it, and they acknowledge they understand it, and if they have any wrongdoing to report, they're aware they have to report it at that time." Well, in my, you know, brilliance, sitting kind of alone one night, I decided I could collect 240,000 signatures from around the world—individually.

*Mike Kearney:* It will be a lot of emails.

Eric Pillmore:Yeah, and not only did I do that for one year, I did it two years in a row, with<br/>faxes and emails and .... Talk about a disaster in terms of trying to collect, you<br/>know, and verify that you've got all 240,000. Needless to say, we went to a new<br/>process with a system where we actually had the 24,000— which is still a big<br/>number—supervisors certify that they had collected signatures on average of 10<br/>employees each, and that they were certifying they collected those<br/>certifications and had them on file, and then we just audited those. But simple<br/>stuff that you don't think about that could have saved us a lot of heartache.

Mike Kearney:The mechanics of 240,000 people. Who made the decision or how was the<br/>decision, maybe a better way of saying it, made to shut the company down for a<br/>day? I mean, I think when you just think of the size, that's incredible.

- Eric Pillmore: No, great, great question. Jack Krol is a former naval officer, Navy Nuke, actually. And the military, it's pretty traditional and I'm, myself, from a military background. If you really want to make a statement about an issue, say it's a safety issue or an ethics issue, it's not unusual to have a stand-down. Now, you might have it on a base. But to have it at 2,400 locations around the world on the same day is pretty unusual. But the idea, the concept, came from Jack's military training. To say, "Look, we think this is important and we want everybody to be engaged in a dialog, on this one day, to put emphasis on it, including the board of directors."
- Mike Kearney:So the next insight around crisis is innovation. Now you may think to yourself,<br/>"Crisis and innovation don't go hand in hand," but that's not true. You know, I<br/>had an opportunity to sit down with Mark Riley, who was responsible for the<br/>aftermath of Katrina, one of the biggest natural disasters in the US. And one of<br/>the challenges that they had was getting food to people that were impacted by<br/>Katrina. And he talked about an innovative way that actually saved money to get<br/>better food to those people that were impacted. So the learning for me here is

when you're in a crisis, you need to think about anything and everything that you can—even using innovation—to emerge stronger.

Mark Riley:The logistics train coming into the state was disrupted and it was going to be<br/>disrupted for three or four days. And so I'm sitting around with the<br/>commissioner of the Division of Administration, which is a senior state agency,<br/>and we're talking about what our options are. And she says, "Well, you know, I<br/>know the director of the Louisiana Restaurant Association. Let's call him and<br/>find out if they can help." And so we did. And sure enough, he said, "Oh, yeah,<br/>we've got many restaurants that have mobile feeding facilities and we'll be glad<br/>to mobilize these people and get them out in the field to feed them. So for three<br/>to four days we distributed over 500,000 hot meals—and MREs are not hot<br/>meals; they come in a bag.

So when it was all done and things started getting quiet, I asked the question, "I wonder how much this is going to cost us." So we did some accounting. Now, an MRE from FEMA costs us \$9.40. These hot meals that we were getting were costing us \$5.60. So we saved almost \$4.00 a meal. Not only that, in an emergency like this, the economics of the communities are disrupted. For example, people don't go to restaurants; restaurants lose money. But here was an opportunity to get that same money that we would otherwise be giving to the federal government back into our local economies.

- Mike Kearney:So let's go back to sunny San Diego, the first interview with Bill Roper. And one<br/>of the things that Bill taught us is that in a time of crisis, your team really<br/>matters. You need to make sure that they are on the same page as you, that<br/>they are aligned with your objectives. And if they're not, you need to move<br/>them out. Having the right team in a crisis is probably one of the most important<br/>decisions that a leader can make.
- **Bill Roper:** Well, one thing I found is that some people are cut out for, and some are not, the ability to resolve problems. And you found out about this from your team members when they deal with less than company-threatening problems. But that's the way they build their confidence in their ability to go into something that's troubled, assess it, deal with it—be it systemic, be it marketing, be it the quality of the people, be it, you know, the markets that you're in—assess the problem, deal with it, and come back with the right answer.
- Mike Kearney:I love this next story around crisis, and it goes back to my friend Daryl Brewster,<br/>former CEO of Krispy Kreme. And one of the things he talked about is that in a<br/>time of crisis, everybody can make an impact. And in fact, he actually shared a<br/>story of the Save Your Salary program where an administrative assistant was<br/>able to contribute in her own unique way, saving the organization money.
- Daryl Brewster:One of my favorite plans within this was a program called SYS, Save Your Salary.And it was—it got to the point really quickly what needed to happen. And one<br/>of my favorites was an administrative assistant who worked in our factory in

North Carolina. And she was responsible for paying the cleaning bills. We had three facilities in Winston-Salem, and she went on her own with a little bit of help from a—she was sparked by some things we were doing on purchasing other items and went to various cleaning offers and said, "We'll package all three of these together," which she did. And we saved her salary times two. So it was just a brilliant story that we got to tell so many times about how people could really make a difference. The new cleaning guys were great. They did a much higher-quality job than the old guys. And we were able to take the best of those and really get some wonderful leverage. And throughout the organization we found people really rallied up to kind of save. They understood the need to survive and find ways that they could really make a personal difference.

Mike Kearney: So let me share my next insight, and this is all around risk management, something I practice quite a bit. And I love the conversation that I had with Jackie Rice at Target. And I think Jackie is one of those transformational leaders that is thinking about risk and elevating it up to the C-suite and the board in a way that makes a significant impact on the business. And one of the things that she talked about is making sure that you have the right people. Now a lot of times, risk management programs have folks that have spent their entire career in risk management. And one of the things that she talked about was in order to elevate your risk program, it is imperative that you have people with the right skills.

Jackie Hourigan Rice: You can have a traditional ERM practitioner. That's not what I want here. I mean, you need some of that obviously. You need to have a baseline understanding of risk management. But I want people who can take those kind of archaic concepts and actually put them into practice for a dynamic, innovative organization that is looking to continually reinvent itself, make things better for our guests, making things better for our team members. That's a bit of a different skill set.

Mike Kearney: I will never forget my conversation with Mike Indursky. He was one of those leaders where I was like, "God, I would love to work with this guy." So innovative, so creative, so full of ideas. I remember meeting with him in his loft in SoHo, which was really a cool experience for me. But one of the things that I asked him during the interview was, "Hey, Mike, you just talked about taking risks. Can you expound on that? Because I'm always interested from a CEO or president or executive's perspective on what risk means." And one of the things that Mike did is he came up with a whole different way of thinking about it. And he talked about the fact that there are many large, entrenched organizations that oftentimes have been built up over many years with a lot of rules and policies and things that employees can and can't do. And he said, "One of the challenges is that there are all these little startups that do not have the same rules." And he said, "You know what? In order to stave off potentially one of the biggest risks, the risk of disruption, you as an organization need to figure out how to break rules in order to succeed long-term."

- Mike Indursky:A high threshold for risk means that rules are getting broken every day. And<br/>when rules are broken, rules are reshaped, and industries are reshaped by<br/>them. You're seeing it happen right now in retail, right? You're seeing it happen<br/>in beauty. You're seeing it in indie brands versus established brands. You're<br/>seeing it in bloggers versus editors. You're seeing it in all parts. You're seeing it<br/>in new types of politicians versus old types of politicians. Rules are being broken<br/>every day. And if you're not leading it, which is one degree of risk, and you're<br/>not quickly following it, which is a lower degree of risk but still risky, you might<br/>wind up being obsolete. And it's shocking that these major CPG brands—you<br/>know, about 90 percent of the top CPG brands have lost share year after year in<br/>the last three or four years, all at the expense of indie brands.
- Mike Kearney:

Yep.

Mike Indurskey: So if you're not doing something different, you're going to wind up failing. And the world's moving faster and faster. So the people say, "Well, this is the rule and this is the way I need to do things." Which I understand, but you know, when it comes to rules, you have to know why the rules are there. And then of those rules, which ones do you bend, which ones do you break, which ones do you adhere to, which ones do you ignore? But you have to know that stuff. So I'm not saying just make crazy, wild decisions, but it's with all those things in mind.

- Mike Kearney: So disruption is a reality for every company. I actually think it's probably the biggest risk that every leader faces today because, you know, you could have risks around regulatory or financial or compliance—and all of those matter. I'm not denigrating them. But if your business model is wrong, if you're disrupted, you could be out of business. And there are so many great examples that we see on a daily basis: once a market leader, now bankrupt or out of business. And one of the things that I've really enjoyed is a few of the individuals, a few of the leaders, that I've interviewed talked about what they did to stave off disruption. And probably one of my favorite examples is from Paul Raines, the CEO of GameStop. Once again, I said it on that podcast, my kids were so jealous of the fact that I got to go to GameStop in Grapevine, Texas. And for me, it was a personal favorite because it's not every day that a CEO of a public company mentions his nemesis: pork fat. That was a highlight of my podcasting career, that's for sure. But what I loved about the conversation is when we got serious, he talked about what GameStop has done in order to stave off disruption.
- Paul Raines:Then our Australian colleagues—we've had a very strong business in Australia<br/>for many years. It's called EB Games, which came out of our merger with EB in<br/>2005. And the Aussies, as you may know, are fairly irreverent, sort of<br/>independent. I kind of say if California was its own country it'd be like Australia.<br/>You know, that's kind of the—so they do a lot of things on their own, and if it<br/>fails we never hear about it. They find a way to keep it from me in the financials.<br/>Who knows, right? But it's a small enough business that they can test a lot of

	stuff. And they were testing these collectibles—and they call it loot. It started as videogame-adjacent loot, which means—let's say you're buying a Batman game. You know, you get a cape, you get a statue, et cetera. It turned into just IP, whatever intellectual property's out there. And, you know, Star Wars and all these other—so they started putting loot in their EB Games videogame stores very successfully. Then they created their own store concept called ZiNG Pop Culture. And we saw that and we thought, "Here's a great opportunity for another leg of growth."
	So going back two years—it would've been in the fall of '14. Going back two years, fall of '14, we pushed in about \$25 million of inventory into our US stores. Our team here at GameStop—we've got some great merchandising led by a guy named Bob Fusan, who was with me at Home Depot. You know, we pushed in all this merchandise and it sold like crazy. We were out of stock in half our stores. So we were able to budget for the coming year a lot more of those collectibles inventory, and that's been a tremendous growth story. And so this year we'll do half a billion dollars in collectibles worldwide.
Mike Kearney:	And \$1 billion by 2020 I think I read or something? That's crazy growth, yeah.
Paul Raines:	Yeah. And the growth was so good that we created our own store model in the United States.
Mike Kearney:	So one of the things that has been incredible about this podcast is it has been almost a learning experience—or it has been a learning experience for me since day one on leadership. When I started the podcast, it was all about just hearing stories on crisis, risk, and leadership. But inevitably in every conversation we got into leadership principles. And I got to learn firsthand what these great leaders have learned over their careers as to what it means to be a great leader. So let's start off. The first one was with Jim Moroney, and Jim is the CEO of AH Belo, owner of the <i>Dallas Morning News</i> . And I loved how he talked about the importance of finding people who will challenge you, who will kind of call BS on you, you know, those devil's advocates. And he would actually bring them into the executive room to check his thinking.
Jim Moroney:	Right over there you can see a book with a red back to it, on top of that little table.
Mike Kearney:	Yep, yeah, right there.
Jim Moroney:	Well, I think I mentioned to you that I believe the most important book ever written for CEOs, or anybody way up in an organization, is a book that we all had read to us probably as kids. It's <i>The Emperor's New Clothes</i> , because a CEO or anyone high up in an organization—and I always say I can get people in this company, I can line them up around the block and they will come up to me and tell me exactly what it is they think I want to hear. How do they make me feel good? Tell me something I want to hear. And I say, you know, in <i>The Emperor's</i>

	<i>New Clothes</i> , my kingdom for one person that will come up and say, "Boss, you know that idea of yours? You're kind of buck naked on that one. You really—I know you think this is a good idea, but can I explain to you why it's not?" And I think it is so difficult to develop a trust with your people where they feel really comfortable coming in and being brutally honest with you about what they think.
	I had a boss named Ward Huey, and I think we developed that kind of trust. But before I would go into one of these I'd say, "Ward?" And he'd say, "Yeah?" I'd go, "Permission to speak freely?" And he'd go, "Oh, God."
Mike Kearney:	Here it comes.
Jim Moroney:	Yeah, "Here it comes." But then he knew I was going to tell him something that he probably didn't want to hear or I was going to disagree with him. But he was respectful of it. And he didn't always agree with me. He didn't always say, "Well, boy, that's right." But he let me say it and I never felt like I couldn't say it. And I even struggle today—we just spent a whole offsite day talking about how can we really have open, honest communication that has conflict in it and work through the conflict and come up with answers without people feeling like you're offending them, you're attacking them, you're hurting their feelings? It's hard!
Mike Kearney:	The next leadership insight came from one of my favorite interviews with Keith Wandell. Keith was the CEO of Harley-Davidson—what a cool guy. I will never forget the conversation that I had with him in Savannah, Georgia. And one of the things that Keith said was when he came into the role—and once again, this was not at a high time for Harley-Davidson—he came in and one of his leadership principles is you've got to get out into the business. And one of the things that I learned quickly was Keith was not the one to sit in the ivory tower, sit behind his desk, and wait for people to come in. Keith was the type that got out into the business, learned what people were doing, and made changes quickly.
Keith Wandell:	Well, what you do is—at least I did—I spent very little time in my office. I mean, I used to walk around when I first got to Harley—this is a funny story because people were like just completely taken aback, right? I would—
Mike Kearney:	Like, you aren't like the previous CEO, I'm guessing, or—[laughter]
Keith Wandell:	No, no, no. I would just literally walk into meetings and say, "Why wasn't I invited to this meeting?" And people were just— <i>[laughter]</i> they would just, like, stare at me like, "Oh, my God, who is this guy?" And I would just sit down and start participating in the meeting. But you know, through my interactions with people and through delegating—you know, you can see—
Mike Kearney:	You'd see it quickly?

- *Keith Wandell:* Oh, you can see who's got the drive and the motivation and who doesn't.
- Mike Kearney:So the next leadership insight is on introspection. And quite frankly, I could've<br/>probably pulled out so many different examples from the leaders that I spoke<br/>to. Most of them I would say are very introspective, but two jumped out—two<br/>former Deloitte guys—Frank Tirelli and Barry Salzberg. And both of them talked<br/>about the importance of spending time to think about your values, to think<br/>about what's important to you, and to be purposeful about your life and to put<br/>it on paper and to look at it every single day.
- Frank Tirelli:Every morning—I'll spend about 10, 15 minutes every morning. I review my<br/>goals, okay? And my goals, you know, involve my personal life, physical<br/>activities, things that are important to me, things I want to accomplish. And I<br/>just read through them. You know, it's not a—and time to time I may adjust<br/>them. But it's important to constantly reinforce in your mind, physically, what's<br/>important to you and what you want to accomplish.
- You know, I have this view—which is why I make this at the very beginning of **Barry Salzberg**: my course—that when you're a leader and you engage in interactions with people, build teams, make decisions, drive culture of the organization, respond to crises, whatever, you don't want to sit down and then say, "Well, who am I and how should I go about making this decision?" You want to just go about making the decision, and you want to do that knowing that it's founded on a set of values that will serve you well over time. And so I tell everybody that you may think it's a waste of your time right now to put this down on paper, but trust me, in a year from now or two years from now, three or five or fifteen, you're going to look back. And I tell them, "You should even memorialize it and keep it on a little card if you could." I have not done that, honestly, but every time I think about it, I should. You know, what are your values? Keep it in your pocket and kind of remember this is who you are. And when you routinely do things that demonstrate that those values are you, you may not need that card. But I think by and large it's a good thing.
- Mike Kearney:So another one with Keith Wandell—an incredible CEO. And I loved how Keith<br/>talked about the fact that when he came in, it was important that the entire<br/>executive team was aligned on the core values that they developed as a<br/>leadership team. And you'll hear in a second how he talked about the fact that,<br/>you know, he knew that his people were good, the capabilities. Otherwise they<br/>wouldn't have gotten the job. But what was most important to him was that<br/>they all lived by the values that they had set for the executive team.
- *Keith Wandell:* What I said was, "Look, here's my expectation. My expectation is that you're great at what you do, okay? So if you are the CFO, my expectation is you are the best finance and accounting person that we could possibly find, and that you know the numbers and you know the rules and blah, blah, blah. If you're an engineer, you're the best engineer. But guess what? If you do not behave according to our leadership behavioral model and our value system, you're not

going to work here. I don't care how good you are. It doesn't matter." And then we incentivized—that's what we paid people. That's how they got their annual increases. That's how people got their bonuses. It was based on 360 feedback from the organization about how they behaved, et cetera, et cetera. And I made it very clear, you know, I expect you to do a great job every day. This has nothing to do with you not doing your job.

- Mike Kearney:I think it's a cliché, especially from a leadership perspective, to say people<br/>matter. We all know that. But there are only certain leaders that demonstrate it<br/>in what they do on a daily basis. And I will tell you, the importance of people<br/>came through in almost every one of my interviews, but a few stand out. The<br/>one that I loved—and I actually got to see this on their walls—was at GameStop<br/>and how they literally treat everybody like they're part of the family. And what I<br/>loved, and it was so evocative, was when Paul talked about the fact that in order<br/>to keep this family together, we need to change. And like I talked about before,<br/>GameStop is going through a lot of change, and so it was a very evocative way<br/>to get everybody on board with the changes that Paul and the GameStop<br/>leadership team were putting forth in order for GameStop to thrive in the<br/>future.
- Paul Morell:So my job is to continue to protect this family, and we're going to do whatever<br/>we have to do to protect the family. That does not mean everybody gets a free<br/>pass on performance. It does not mean everybody gets to stay here forever. But<br/>what it does mean is if your heart and your head are in the right place, there's a<br/>job for you here. We've got to find a way to make you more productive, you<br/>know, if that's coaching or teaching or training. But we've also got to be<br/>aggressive with the customer and aggressive with change, because that's the<br/>only way we're going to survive.
- Mike Kearney: Another takeaway on leadership focused on people is my conversation with Barry Salzberg. One of the things—I know Barry personally and he is an incredible leader. And one of the things that I've always noticed is that he takes time not only to meet people, but to listen to them. Now there's a lot of leaders that will say, "People are important and I need to listen," and all that cliché-type stuff. But Barry practices what he preaches. And one of the things I loved during his conversation is how he analogized spending time with people to eating Jell-O.
- Barry Salzberg:Now in terms of the time, you know, I'll give you two analogies. Analogy one is<br/>there's always room for Jell-O. And I always say that because, you know, in the<br/>dessert arena, the advertisement for Jell-O is "There's always room for Jell-O,"<br/>no matter how full you are. [Laughter] And why? Because Jell-O was tasty and it<br/>was delicious and it wasn't—it didn't consume much when you ate it. And I kind<br/>of look at mentoring and meeting with people and giving access to people like<br/>having Jell-O.

Mike Kearney:	I will tell you one of my favorite parts—or no, the best part of the podcast—is hearing the back story of the leaders: what it was like to grow up for them, where they came from, what their influences were, what their parents were like. And there's a couple things that jump out in my mind. First of all, most, if not all, of the interviewees came from meager beginnings. They worked their butt off for where they ultimately got to. Nothing was given to them. And this is one of those things that I share with my kids all the time. If you're a college student out there, it's probably one of the most important things that I could share with you based on these interviews. It takes grit and it takes hard work.
	The other thing that I learned is most of them had heroes. And 99 percent of the time the hero was their parent or their parents, those people that helped them get through the tough times, those that instilled the values that they have in them today. In every one of these interviews they talk about the impact that their parents had, and then coupled with the hard work and the grit they had is what made them so successful.
Mark Riley:	My father had a big impact on my values, and one of the things he did when I was a young teenager is he decided that I wasn't going to sit around all summer long. I was going to go do something productive. And he had friends, you know, all over the country, so he would buy me an airplane ticket and send me to one of his friends to work. And as he put me on the plane he'd say, "Okay, if you want to come back, you have to earn the money to buy the ticket to come back." So I would go off during the summer—I mean, one summer I went to a pig farm. One summer I went to a cotton mill in North Carolina. I think the pig farm was in Texas. I worked on a survey crew here in Louisiana one summer. And my sole responsibility was to be able to get back home. So that gave me a sense of independence and, you know, take care of myself and that sort of thing.
Mandeep Grewal:	So she went and signed up and became one of the first women pilots of India. And in an era, that you can imagine, where women in India barely went to college and never really left their homes as much, to go into a field that was absolutely dominated by men at that time and start—really take on this very big task of—talk about breaking a glass ceiling. She shattered I think and created a path for many, many women to follow.
Frank Tirelli:	You know, 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 probably the most important influence on my life. I mean, my mother was also, but you know, I was raised in an Italian family and, you know, 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.
Paul Morell:	What stands out in my mind is that that company was called Superior Coach and they were building school buses. And always in the summer it was very busy

because all the schools were getting new school buses for the fall, so they would always run two shifts. And a lot of times, my father would go back to the factory on second shift and he would ask my brother and I if we wanted to go along. And I never said no. I always looked forward to it, and I always remembered, you know, walking through the factory with my dad and him talking to the employees, and just what an impression that left on me. And then I had the fortune to work in that factory every summer while I was going to college.

Mike Kearney: So the last question that I traditionally ask—I think I've done this in probably 95 percent of the interviews-is what does resilience mean to you? And who is somebody that embodies resilience? It's actually a great question to end the interview with because these individuals, in my mind, represent everything that it means to be resilient. But I love listening to their perspectives on what resilience is and who some of the folks are that really have embodied that within their lifetime. And we got some incredible answers. Probably one that jumped to the top just because it was so personal and visceral was from Mallory Weggemann. And her story, if you haven't had a chance to listen to it, this podcast—I don't care who you are or what you do, it will touch you. And how she has been able to rise up from a personal—I was going to say personal injury—but a procedure gone wrong in the hospital. And I think she is a better person today as a result of it. She was one of the most inspiring people that I've ever met. But we've also heard from others: Alex Dimitrief, general counsel at GE, or even Dan Diamond, who shared his perspectives on what resilience means after his experiences in some of the most iconic natural disasters in the United States.

- Mallory Weggemann: You know, I think for me resiliency is really about kind of that will to never give up and never give in. And that doesn't mean that you don't have your moments of weakness, as I say. And by having moments of weakness it doesn't make us weak; it just makes us human. That's part of the deal. But for me, resiliency is really handling those life adversities with that grace and that ability to face the challenge at hand head-on and not steer away from it. And understand that life is going to happen and there are going to be hardships, but you have to find a way to keep trekking through and not give up or give into the circumstances around you.
- Alex Dimitrief:And so I look at Jeff and I look at how he's not scared to change, he's not scared<br/>to take us out of plastics—which would've been unimaginable for many<br/>generations of GE employees—take us out of MBC, take us out of appliances,<br/>which has been GE's big brand for all these years. He adapts to the changing<br/>environment and I think we're a much stronger company because of his<br/>leadership. And, you know, so I don't say that just because he's my boss; I say<br/>that because I really admire what he's done. And I see the different incoming<br/>that he gets every single day. I only see a part of what he sees. And his ability to<br/>just weather so many storms over the course of his tenure is something that I<br/>just admire. And again, I think that for him to transform GE as he has to the

digital-industrial powerhouse that we're going to be is going to be his legacy. And it's a real testament to his resiliency under challenges that I think would've had a lot of lesser CEOs leave the company. He's just really been a huge role model for all of us.

Dan Diamond: So the victims have this external locus of control. What I call the thrivers have this internal locus of control. And they look at it like, "No matter what happens, I still can choose how I'm going to respond." So that's the first dimension. The second dimension has to do with purpose. So the victims—you could divide the world up into two types of mindsets. Not types of people, but mindsets. One is a giver and the other is a taker. So the victims are takers. They're looking at it like, "Well, the resources are scarce. There's not enough stuff to go around so I have to rally all my supplies, because if I don't look out for number one, who's going to?" You know? The thrivers are looking at it like, "I always can choose how I'm going to respond and it's not about me." They're the givers. So they are the powerful givers. The opposite of that are the powerless takers, so the victims versus thrivers. It's kind of a—it's an interesting perspective. And in the middle of a disaster it is so raw.

Mike Kearney:So there you go: insights from the first year of <u>Resilient.</u> I've got to tell you, once<br/>again, just going through those transcripts was a walk down memory lane. And I<br/>want to personally just stop and thank every guest that has come on to<br/>Resilient. I mean, these are very senior leaders, and for them to give the gift of<br/>time to me is something that I will never forget. So if you're listening, thank you<br/>very much.

And I'll tell you, when I start to think about where Resilient's going, there's only one thing quite frankly that matters to me. It's all about the guests. It's the folks that we get on, to hear their stories. And I am continuing to look for interesting people who have great stories to tell around crisis, risk, and disruption. And if you have any recommendations—and listen, I've actually taken recommendations over LinkedIn and Twitter. If you have any recommendations or if you're listening to the podcast and you have a story to tell, reach out to me. I have loved the engagement that I've gotten on social media, and it is a great way to find our next guests, the guests that will share with everybody their incredible stories.

And I want to thank the most important people, and those are the listeners. Now, we could come up with the greatest guests, have the greatest interviews, but if you did not listen it wouldn't make an impact. And so I want to thank each and every one of you for listening and coming on this journey with me. One of the—like I said at the beginning, one of the best parts of my career, one of the things that I will look back and love is the fact that we started this podcast. I love the fact that I got the opportunity to interview all these people. And I would encourage you to get involved. Share these podcasts with your family or friends. Listen to what these leaders have to say and apply some of their learnings in what you do on a daily basis. And share your story of resilience with me. Like I said, I'm active on LinkedIn, active on Twitter. Share your story. Let me know what you've liked about the episodes, what you've listened to, and which ones have made an impact.

And I'll tell you, now that we're going into the second year of this, I am more resolute to what we are doing than I've ever been. And I can't wait when I roll the clock forward to April of 2018 to be sharing the insights over the last 12 months, the interviews that we haven't even conducted. So until then....

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