



Episode 8: Barry Salzberg, former chief executive officer of Deloitte LLP, on leading by example

Transcript

Mike Kearney: When we started this podcast, the focus and the purpose was to interview leaders. And when I'm talking about leaders, I'm talking about senior executives: CEOs, board members, government officials, and hopefully, one day, folks outside of the business world. But it is to hear their stories, their authentic stories on crisis, risks, and disruption, and how they were resilient.

And we've talked to some incredible leaders to date. If you haven't had a chance to check out some of the previous episodes, go do so. There are some great discussions that we've had. I think everybody knows that I'm from Deloitte and today I'm continuing a conversation with Barry Salzberg, who was the former CEO of Deloitte US and the former global CEO of Deloitte.

And we had a great conversation in our first episode, which focused on how Barry led through the downturn in the mid-2000s, taking some significant risks doing things like building Deloitte University, a physical learning center, or making an acquisition of another consulting organization, BearingPoint. Today we're continuing that conversation and we're focusing Barry's perspectives on leadership.

And listen, if there's somebody that's got perspectives on leadership, it is Barry, with his CEO tenure and now he's a professor at Columbia University.

Barry Salzberg: It's my responsibility to demonstrate the trustworthiness. And if I can demonstrate the trustworthiness by being open, honest, transparent, vulnerable, I perform, I respect you. All the things that would cause you to want to trust me, then I think I can be trusted.

That, to me, is the foundation of our future interactions and our ability to get things done. For me to lead, for you to follow, for you to have ideas, for me to adopt them. It's the oxygen of the organization.

Mike Kearney: Live from Manhattan in New York City at the iconic 30 Rock Building, welcome to *Resilient*, where we hear stories from leaders on risk, crisis, and disruption. And we get those stories by meeting our guests on their home turf.

My name's Mike Kearney, the leader of Deloitte's Strategic Risk practice.

Mike Kearney: So, Barry, I've got a lot of questions on leadership and as I talked about when I opened this up, that's one of the things that I've always been impressed with you. I love in these podcasts learning a bit about the person. Where did you grow up?

Barry Salzberg: So I am a Brooklyn, New Yorker, born and raised. I lived in Brooklyn in multiple communities, from Brownsville, to East Flatbush, to Canarsie. I married my wife, remained in Brooklyn for a bit, and then we moved to Staten Island. And then, ultimately, now our home is in New Jersey.

Mike Kearney: My father-in-law was born in Brooklyn, so I'm going to need to ask him if any of those locations, and the age is probably similar so maybe you guys ran together.

Barry Salzberg: Yeah, well, each of those locations were pretty tough locations at the time and I think in many ways contributed to who I am as a professional, as an individual. And they often use the phrase, I don't know if you've heard this Mike, "you can take the person out of Brooklyn but you can't take Brooklyn out of the person."

Mike Kearney: The Brooklyn, yeah, I've heard that. That's true of my father-in-law. I totally want to explore, but I think maybe for another time. But I am really intrigued by, you know, folks like my dad, who was a San Francisco cop. We didn't have a lot. But a lot of times, those conditions I think are conducive to people excelling in the future.

Barry Salzberg: Yeah, I mean if you look at my family background, my dad was a postal worker, and because it wasn't enough to really make ends meet, he worked another full-time job. So he had two shifts. He would work during the day on the docks and be sort of a dockworker. And at night he was a postal worker. And we barely had anything. We didn't own a home, it was an apartment always. Never owned a car. And essentially never went on vacation. For us, vacation was a train ride to Coney Island, have a day at the beach and hot dogs at Nathan's at night, and that's really what we did. And I'm very family conscious and love and believe in family, so I never look back on those days in a negative way. Those humble beginnings clearly were instrumental in

helping define what I wanted to do with my life and how I was going to go about it.

Mike Kearney: Who were some of your heroes when you were growing up?

Barry Salzberg: I was a sports fanatic when I was younger. I've lost that interest in later years. But you know, Sandy Koufax was one of my—

Mike Kearney: That was when the Dodgers were out here.

Barry Salzberg: The Dodgers were here, yeah. And I really loved football and I was a Miami Dolphins fan, as odd as that may seem. So I looked up to the various sports figures that were part of the teams that I loved.

Business was not in my vocabulary at all really, because it wasn't in the background of my family, so I didn't have business leaders to look up to. My grandparents were pretty much all gone by that time. I did not, until I met my wife, really have close personal guidance as to where I should be focusing my future on. But my wife and her parents, who suffered deeply in the Holocaust, were able to sort of encourage me to go to college and encourage me to find a career that I could excel at. In the absence of that kind of pushing and that kind of steering, I probably would not have gone to college and probably would have gotten a job to make ends meet.

Mike Kearney: That is a great story. I was going to ask you, and you may have just answered it, but were there any earlier experiences that really shaped who you are today? It sounds like that, obviously, is one of them. Any others that you would point to?

Barry Salzberg: Yeah, that's clearly one of them. If you think about the neighborhoods that I talked about where we lived, I was the minority in virtually every one of those areas. And so for me, how I was brought up and the environment that I was brought up in, diversity was a big part of it. And so there's no question that that contributed to my commitment to and my driving of diversity as a firm-wide focus.

Mike Kearney: Barry, so given the fact that business wasn't even necessarily in your future—and I may be fast forwarding many years—when did you ultimately say, “gosh, I'd like to be a CEO of a firm like Deloitte?”

Barry Salzberg: So, great question and the answer is going to shock you. I was elected as the managing partner of Deloitte in 2003 and I was elected as the CEO of Deloitte in 2007. And I would say somewhere between 2005 and 2007 I developed an interest to become CEO.

Mike Kearney: Interesting.

Barry Salzberg: So I never—

Mike Kearney: It was never one of those aspirations.

Barry Salzberg: Never one of those aspirations. It was certainly not an aspiration before I joined Deloitte. And when I joined Deloitte, which was in 1977, my interest was very clear and that was in making a decent living serving as a professional advisor in the tax area. That was all that I wanted to do and it was okay with me if I did that for my entire working career. It wasn't until I was tapped to move into some leadership role that I looked at that part of what I was doing and concluded that I enjoyed it, and was viewed by others as doing it well.

Mike Kearney: You know, it's interesting and I always talk to younger staff about this. About how you plan your career. And I always try to kind of keep it in the middle, which is letting it organically happen, which I actually think in some ways is a better way of doing it than being almost way too intentional. Because sometimes you do things that don't lead you down the right path.

Barry Salzberg: Yeah, I think I do that now today almost daily. So in my role at Columbia Business School, and as part of the executive and residence program, I am meeting with students every day to talk specifically about their careers, about challenges of leadership, what's in front of them, and so forth. And this topic comes up all the time.

And I'm where you are, Mike. I don't think it's a good idea to be overly aggressive and driven. I'm going to be CEO and I'm going to be CEO and pound the table. Now, what I would say, on the one hand is a good idea and on the other hand, I don't think that what I did was a good idea either in hindsight. You know, just kind of going along and letting it go and whatever happens happens, somewhere in the middle.

Mike Kearney: I've got to ask you this question. And I wasn't going to go here now, but I'm going to because you brought it up. I think one of the things that I've always been impressed by is the fact that you spend time with people almost irrespective of their level and I'm going to tell a real quick story. I wasn't even going to go here.

I remember it was probably about 15 months ago, and I was sitting down with the manager that supports me, my MDP, and I said, "You know what, one thing I love about Barry is that he's unbelievably responsive and will spend time." So I sent you an email, I don't know if you remember this, and I said, "Barry, I know you're leaving, you're going to be retiring in six months." And you responded. And I was joking with her and said, "He's so responsive I bet you he'll respond within five minutes." And it was three minutes. And then you met with me for a full hour in your last six months.

Can you explain? Obviously, people and mentorship are so important to you, but why is it so important to you and how do you make that big of a commitment given all of the other things that you had going on and have going on now?

Barry Salzberg: Well, I do remember that, actually. And I appreciate you remembering it and that probably will cause me to do more going forward because that kind of reaction inspires me. I really do feel that I've had a

privileged career, lots of different experiences and opportunities, and I really do want to pay it back in whatever way I can. And my view of that is through mentorship and sponsorship, being available to counsel and advise when people want it. I don't push myself on anyone, but if people feel that they can get valuable advice and counsel or input on their careers or whatever the case may be, I love to do it.

And why do I love to do it? One, because I feel like I'm giving back. Two, I feel like I'm making an impact that matters on people and people's lives. I do believe that we need better, more sophisticated, but more sensitively created business leaders in the future. And if I could contribute to that in a way based upon my experiences and thinking, it's inspiring.

I remember doing a College Summit—because you know I'm involved with College Summit—a session with some young high school students. And people would say to me, you know, "Barry, what are you kind of going back for?"

Mike Kearney: Days spending your time there, right.

Barry Salzberg: And I would say, "Well, apart from the fact that I can help them and I believe that if I can help them, that's a really good thing. It makes me feel really good. It's incredibly inspiring, and it inspires me to do more." And I just feel that the energy that's created by people who receive that feedback and do something with it. It's just an incredible feeling.

So I intentionally went into teaching after I retired, not just to teach and impart years and years of experiences and learnings, but to be able to counsel and mentor people. It's just something that I love. I love doing it because it's inspiring and I know it makes an impact.

Now, in terms of the time, I'll give you two analogies. Analogy one is there's always room for Jell-O. And I always say that because in the dessert arena, the advertisement for Jell-O is there's always room for Jell-O no matter how full you are. And why? Because Jell-O was tasty and it was delicious and it wasn't, it didn't consume much when you ate it. And I kind of look at mentoring and meeting with people and giving access to people like having Jell-O.

Mike Kearney: Oh my, that is going to be like—I send out a weekly e-mail to my practice that is going to be my subject in the next one: There's always time for Jell-O.

Barry Salzberg: Well, let me give you the second one. Because the second one to me is one that my wife and I talk about a lot because our older son now has a daughter of two months. And we start talking about friends that have children who have a second child and the issue that typically comes about when you have the second child. You know, the first child being jealous or worrying whether or not the parents will love them as much as they did before because now there's somebody else to love.

And there was a Sesame Street skit where a similar event happened to Big Bird, and the takeaway from that experience was that when you have a second child you don't share the love, you make new love. You're able to give as much love to each when you have two than you were able to do when you got one. And that was the thinking.

And that's my analogy here too. No matter how busy I am, I'll just make more love. And I really do think that that matters. I appreciate when people seek me out and I appreciate when people tell me how they've taken the advice that I've provided to them and implemented it and how they are doing. I know that I'm having an impact because there's so many people that I've helped counsel and advise that come back to me time and time again for follow-up. And just even sometimes, "How are you doing?" from people that wouldn't do it, but I know that they're sending me that notice to remain connected and they're appreciative of what we had there.

Mike Kearney: I almost just want to recognize you because there are so many of them I can list off the names. But so many people that you don't even know that have said, "Gosh, you know what, I had reached out to Barry," and I'm talking about managers, and not that you wouldn't connect with them, but folks that maybe you wouldn't see the CEO spending a lot of time with. So I recognize you for that and applaud you for that.

Barry Salzberg: You know, Mike, I'll conclude with this point on this little story. Just two or three weeks ago, I received an email from an administrative staff at 30 Rock that works for Deloitte in a true support function. This is not an admin secretary but someone in infrastructure that felt very comfortable reaching out to me in retirement to ask for counsel about a new opportunity.

Mike Kearney: That's pretty cool.

Barry Salzberg: And so I'm not surprised by what you said, I'm humbled by it, and I feel good about it.

Mike Kearney: So talk about what type of leader were you? What were the values that drove kind of your decision making who you are?

Barry Salzberg: So it's an interesting question because, as part of my class at Columbia, the very first session that we do is on values. Because if you want to learn, the course is about being a CEO and how CEOs process things and get things done in the company. And I start out by saying, "If you really want to be an effective leader, you have to really understand who you are, what your values are so that when you do things, you can appreciate why you do things. Because we do whatever we do because we are who we are."

Recently, in preparation for that class, I created my own values hierarchy so I know what my values are.

Mike Kearney: So this is an easy question.

Barry Salzberg: It is but it isn't because it's hard to talk about it. I have three categories of values and I don't want to get into the very, very specific details, but one is in the area of ethical leadership and integrity and everything that goes along with doing the right thing. So there's a lot of forks in that values tree but in essence, it's committing to being ethical and honest and having integrity and so forth.

The second arm of my values tree is about respect. And that has a lot of arms to it as well. Respect, as I've defined it, is both respecting me and me respecting others. A good example of what's in the respect hierarchy is preparedness and timeliness. These are two things that are important values of mine.

I jokingly tell the class this so that they can understand how to create a values tree and that both of these are important. Proper planning prevents poor performance, which I've been known to say time and time again, defines the preparedness value. I really do think that you need to be prepared and be in the moment for people because if you're not, I think that that interaction goes south pretty quickly.

On the other hand, I think that timeliness is incredibly important. If an assignment is due on Monday at midnight, I expect it to be in on Monday at midnight and I think that's a sign of respect. It's more than anything, to me, a sign of respect. So I use timeliness, whether it's coming to class, whether it's submitting an assignment, etc.

And then I say you inevitably have tradeoffs. I tell everyone that I would rather be at a meeting on time and be 95 percent prepared than being 100 percent prepared and late. So I say every time that you set a set of values know who you are and know which one is important to you because there will be tradeoffs and conflicts. That's the respect column and then there's a whole bunch more that goes into respect.

And then the third value is about a broad category of generosity, caring for others, making oneself available, mentoring, counseling, advice, community service. Things like that fall into this third bucket of making an impact.

So I have the three buckets: make an impact, respect, and integrity/ethics. And then from that flows a hierarchy of sub-values.

Mike Kearney: So, you just went through this process. Did you have something similar before?

Barry Salzberg: I never did it before.

Mike Kearney: But I'm guessing they were probably all in the back of your mind.

Barry Salzberg: They were, yeah. I mean I sensed that that's who I was. But when I put pencil to paper and I created the hierarchy, it was interesting. Because there were some values that I put down that I thought I had and I shared this with my wife and she said, "Uh-uh, that's not you. It

may be who you want to be, but it isn't what you demonstrate." And patience, for example, was one of the things that I thought that I was pretty patient, a good listener, you know somebody who thought things through methodically. But she said to me, "Uh-uh."

Mike Kearney: Just because maybe that wasn't a value did you keep it on the list? And is it something you're working towards?

Barry Salzberg: No, I took it off.

Mike Kearney: You did take it off.

Barry Salzberg: No, I took it off. And I work on it because I don't think that impatience is a good value. So I just try to be more aware of it. I'm not succeeding at times, but at least I'm aware of it. That's what I call gap assessment in values. What I have my students do is say who they are, do that values hierarchy today, and then as they think about leadership in a business world, who would they want to be, and that's aspirational. And what's the gap in your aspirational goals of what values you feel you should strive to have.

Mike Kearney: I love the fact that you do this because I would argue, even though we all go through goal planning and things like that from a business perspective every year, there's probably less than 10 percent of people in business that go through a thoughtful process of really articulating what's their purpose in life, what their values are, and the things that are going to drive them on a day-to-day basis. Yet, all those are the things that guide every single decision and every action that we have.

Barry Salzberg: Totally. I have this view—which is why I make this at the very beginning of my course—that when you're a leader and you engage in interactions with people, build teams, make decision, drive culture of the organization, respond to crisis, 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.

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 or 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 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 what's funny is on my iPhone, you know how you have that little Notes thing? I have my purpose and my values. I call it my center and I put down all of those things. And everybody probably thinks, well, I

know what my values are. They're just part of who I am. But what I find is that any moment when things are busy, I forget. I don't forget, but I may not contemplate what those values are. And by looking at them literally every day, it reinforces the things, or it reinforces who I want to be.

Barry Salzberg: Yeah. Do you know what else it does though, Mike? It allows others to see who they are dealing with. Because if you consistently demonstrate those values, people will see it and people will feel it and people will know it. And then they know how to react to you and how to deal with you when they're engaging with you.

Mike Kearney: Absolutely.

Barry Salzberg: Because I know that with me, my students know that timeliness is important, and they fret when they're late because they know that's really important. It may not be important to them, but they know that when they're trying to deal with me in an interactively positive way, they're going to be timely.

Mike Kearney: Absolutely. Barry, did your style change as you matured—or not even matured—but as you went into different roles? Just thinking about Deloitte, running the Deloitte US member firm versus running Deloitte globally are two very different things. Did your style change much?

Barry Salzberg: It has to, right. The one thing that I never was was a command-and-control kind of leader. If you said to me what type of leader, I was more of a consensus builder, a collaborator. No question, I'm decisive. So it isn't about not being able to make a decision on my own, but it is about making sure that I have all of the input and good thoughts that others have for a particular subject and then I'm prepared to make a decision. But the kind of leader that I felt that I was was more of a collaborator, a consensus-oriented person.

But when I moved into the global role, I went from having complete line authority in the US over every professional. My job description under our partnership agreement, essentially I was responsible for everything within the company. When I went globally, I was not responsible for everything in the company. I had very specific responsibilities and almost no line authority over any of the constituencies within the organization except for the actual professionals within DTTL.

So, I went largely from a line authority to a role of influence. And your leadership style—in order to be as effective—has to change.

Mike Kearney: Sure. You've been quoted as saying, "Trust is like oxygen for a business." Hopefully, I got that right. What do you mean by that?

Barry Salzberg: You know, this goes back to values a little bit. But if you think about being respected and having credibility and being trusted, what allows for that? What allows for Mike to trust Barry? What causes you to trust me—not only as an individual but as the CEO of the company? Well,

it's my responsibility to demonstrate the trustworthiness. And if I can demonstrate the trustworthiness by being open, honest, transparent, vulnerable, I perform, I respect you. All the things that would cause you to want to trust me. Then I think I can be trusted.

That, to me, is the foundation of our future interactions and our ability to get things done. For me to lead, for you to follow, for you to have ideas, for me to adopt them. It's the oxygen of the organization.

Mike Kearney: As a CEO, you probably get a lot—or you *got* a lot—of input from people all across the organization. How did you know when to take the input and when not to take the input? And where would you go?

Barry Salzberg: You never know for sure, Mike. Because everyone, and in an organization like Deloitte, everyone has an opinion. So if you were really aiming to be the most consummate consensus builder and collaborator, you'd get everyone's input. That becomes unwieldy. You just can't do that. You can't do that and you certainly can't do that on every decision. If you weigh the decisions even at best, you can do it with the most significant decisions, but you can't do it on every decision.

And there are some decisions that—by the very nature of what you do—have to be held private. You can't discuss some of these things publicly and, therefore, you can't get input on some of these things publicly because of the confidentiality and privacy requirements associated with it.

But it's imprudent not to seek input from subject matter experts, so start with that. There's always going to be people who are smarter than you are. That have more information than you do on the subject. That are deep, knowledgeable individuals on the subject. And you should seek them out. When you believe in your good judgment as a leader, as an experienced professional, that you now have all the data that you believe you need in order to make the decisions, you kind of have to stop the input gathering, the socialization process, etc. And that can only be determined judgmentally case by case.

I could tell you that it would be a big mistake if you just endlessly sought that additional input. When will you know when you have enough?

Mike Kearney: Right.

Barry Salzberg: You know, I'm not an auditor by background, but I used to do audits. How do you test for liabilities? You test for understatement of a liability.

Mike Kearney: You're going back a long time ago.

Barry Salzberg: I'm going back a long, long time, and what I'm saying may not even be relevant today. But when it was relevant, you just never knew what the population of liabilities were.

Mike Kearney: You know what the challenge though—

Barry Salzberg: You just keep on going.

Mike Kearney: —in making these decisions though or in getting input is. Like you said, everybody's got an opinion. And I think one of the things that I heard you say is you've got to take into consideration what people say. Look at the facts. But then I would imagine to a certain degree it goes back to kind of comparing that or putting that up against your own value system and making a decision.

Barry Salzberg: Absolutely. Yeah, you assess it.

Mike Kearney: You assess it, right.

Barry Salzberg: Your responsibility as a decision maker is to assess the data, to assess the input, and then go forward with the decision.

Mike Kearney: Would you—and this may be a tricky question—but when you were looking at something, would you ever seek input outside of your executive team?

Barry Salzberg: Oh yeah.

Mike Kearney: Meaning, would you go not around them necessarily, but go down to line partners or others to get feedback and input for something that you're looking at?

Barry Salzberg: Yeah, absolutely. And I'd be happy to go outside the firm too. I do think that vigilant appraisal and getting confirmation from subject matter expertise outside your organization is a pretty smart thing to do—whether it's in developing strategy, competitive intelligence, or industry information. Whatever the case may be, getting somebody who's really an expert on it I think is a smart thing to do. And within the firm, I think it's always a good idea to go to the people who are the deep leaders—knowledgeable; experienced; been there, done that.

So yeah, I would go into the organization if I felt that I needed to. There's a way to do it though; you just don't do it. I often let the person know who was that person's boss and said, "Listen, I'm going to go see Mike and I want to talk to Mike about building greenhouses." And you know, I told Mike's boss and they're pretty cool with it. Sometimes, if it's innocuous, you just go and pick up the phone and call.

I don't see a problem with that, Mike. I think you have to tap into all the resources that are available to help you make the best decisions you can. It's all about how you do it.

Mike Kearney: Barry, you talked earlier a bit about the importance of diversity. And I was going to focus on boards and the importance of diversity on boards, but I think you teed it up earlier around just diversity in

general. Can you kind of share your thoughts, whether it be specifically on the importance of having it within your executive team or on boards, or just even in a broader population?

Barry Salzberg: I just think it's a business imperative. It's very simple to talk about the social good of having diversity, the implications on corporate responsibility, and it is what should be done. But I think at the end of the day, if you're a business leader, you really have to look at your business. And I am of the view that in almost any business environment today, it's a business imperative. It's a business imperative in attracting and retaining the very best and brightest. It's a business imperative in terms of competition. It's a business imperative in terms of customer orientation.

I don't know the statistics now, but when I was at Deloitte, I recollect that a very high and growing percentage of RFPs included information requests on diversity and commitment. And the people that you were proposing to do work for themselves were becoming more and more diverse, and they wanted to see your commitment to that. I mean it's a customer demand kind of thing.

Mike Kearney: To me, this is like the no brainer question.

Barry Salzberg: To me, it is. You can't underestimate it. However, many people still don't believe that. And still don't believe the data that would suggest that companies that have diverse thinking—demonstrated by diversity of people and process and everything that goes along with it—out-perform. The decisions are better, but people still don't believe it. There are still a lot of cynics that just believe companies are committed to diversity because it's the socially acceptable thing to do.

Mike Kearney: You know, it's interesting. I got an email from somebody that listens to the podcast and said, "Mike, you need to bring more women on the podcast." And I wrote back to her and I said, "I absolutely do." We just published a podcast where we interviewed the CRO at Target and she's a women and we've got another planned for next week. But I couldn't agree more, especially because the perspectives—not only of women—but of all different backgrounds is so important.

Barry Salzberg: I think it's rich. I think that it really does give food for thought that creates an outcome that would be better than not having that input from diverse perspectives.

And, by the way, today diversity is so much more than what diversity meant when I was a young professional. It isn't just gender, it isn't minority or ethnic diversity. It's sexual orientation, it's age, it's thought. It's a new category: introvert versus extrovert. I mean, I can go on and on and on about the categories of diversity and how important it is to tap into high-quality thinkers that are from a different kind of category, however you want to define it, as you are.

Mike Kearney: Absolutely. I mean, just think, because at the very least they provide a different perspective that you may not have thought about.

Barry Salzberg: Exactly.

Mike Kearney: So are you an introvert or an extrovert?

Barry Salzberg: You know what, I know you're not going to believe this but I'm an introvert that's learned how to engage in an environment that values extroverts more. I know of a number of people who are introverts and cannot navigate the environment as well as I was fortunate to be able to do. And so they remain introverts and we do not tap into their quality of thinking. They have a lot to offer but they're just not socially engaging.

Mike Kearney: So Barry, you hired and you promoted a lot of people at Deloitte. Is there anything when you look back on your career that was indicative of success? Like when you would say, here are the types of things that I would look for and these were the indicators of success. What would they be?

Barry Salzberg: That's a really, really tough question because there are so many attributes that work at different times. My career has spanned 38 years. I would say first off, the most successful people that you would hire are those that have cultural fit to the organization's values and culture.

Mike Kearney: That's why I came. I mean I remember going through the process when there were six firms and there was one that did a much better job recruiting at the time. And I was within like inches of accepting and then I finally stepped back and I said, "But I feel most comfortable at Deloitte."

Barry Salzberg: Yeah, will I really fit?

Mike Kearney: Right. And thank God, I came here, yeah.

Barry Salzberg: And then you realize how important that is. And it's a two-way street, right? It's a two-way street. So I do think that, ultimately, as you look back, the people that acculturate, the people that integrate, the people that become part of the fabric of the organization as quickly as possible are the ones ultimately that succeed. So cultural fit, value alignment would be number one.

Number two would be, and I think that this is really important, folks that are independent, get-things-done kind of people. Folks that don't have to wait to be told to do something but appreciate authority and appreciate governance and appreciate that there's always somebody that you report to or you're held accountable by. But I want a self-starter and I think that the people that come in and don't wait for an invitation are the people that ultimately do well.

Mike Kearney: So Barry, you know the fact is we hire a lot of very motivated, smart people at Deloitte that have all different personalities. Can you talk about—just in your experience—what is the best way to motivate? And

I know, obviously, one size does not fit all. But if there's any perspectives that you have around motivating, especially some of our younger staff. You're now a professor, so you see what's important to younger people. What would you say are some of the things we could do better to motivate them?

Barry Salzberg: Well, first off, you can't ask people to do something that you wouldn't do yourself. So start off by leading by example. Motivation comes from watching others and seeing others succeed and doing the right thing and so forth. And so if I want to motivate you, Mike, to come up with an idea and to take the risk of innovating a new thing for the organization, I ought to behave in a way that gives you the motivation that that's what you should do.

And I can give multiple examples of that, so lead by example would be one. Two, I think that empowerment is a big motivator. If you put too much of a leash on somebody, it really is demotivating. But I don't think you can give an unlimited empowerment to everybody on everything.

The way I look at it—and I also use this as an analogy in class—is a picture frame approach. Think about a three-by-five picture frame—it's small. Think about an eight-by-ten picture frame—bigger. In some areas, your picture frame is bordered by eight by ten. And what I mean by that is, those are the rules that you have to play by and when you're inside the picture, you can do whatever you want.

Now, so what would be a three by five would be compliance, for example, with continuing professional education. You don't have much choice, Mike. You've got to meet your requirements and you've got to do it within a certain timeframe. So how you do it is limited.

But if you were creating something like a greenhouse, I might say, "Okay, Mike, listen, here's your budget, here's the timeframe." It would be wide, it would be pretty limited in terms of restrictions, "and now go do it and go figure it out yourself." I will tell you that when you're in that picture frame, the bigger the picture frame, the more empowering. The more empowering, the more motivating.

Mike Kearney: Absolutely. First of all, you're giving some really good analogies for this. But I have thought back, as I asked that question, on the people that I have really enjoyed working with. And the folks that I have enjoyed most are the ones who have given me the opportunity to be me. To do the things that I think make sense. But I also had this own governor that I would never go too far. Like I always knew when to kind of communicate with them or phone home to say, "Hey, here's what I'm doing, are you comfortable with that?", especially before big decisions were made. But it was so liberating to be empowered because it's so much more enjoyable.

Barry Salzberg: But, you see, empowerment doesn't mean a lack of accountability.

Mike Kearney: Absolutely.

Barry Salzberg: And so if you take the view that empowerment really means empowerment, but you held yourself accountable to somebody or some governance process, I think that's the greatest formula for motivation.

Mike Kearney: Absolutely.

Barry Salzberg: So those are some of the things that I have for motivating.

Mike Kearney: What advice are you giving to the kids in your class that are looking to go out into the world?

Barry Salzberg: So, first off, you have to be yourself. I talk about the importance of values, to go back to that—I can't emphasize that enough. The importance of values and demonstrating those values on a regular and consistent basis is really important.

Second, you can't be someone else. So the moment you're hired for something and you start changing who you are, I think you're doomed for failure. You've got to be yourself. Be natural because you're hired because of who you are. And people that seek to change that I don't think do very well.

Mike Kearney: I love the fact that you just said that because I do see people coming into the firm and coming into other organizations where they feel like they need to fit a certain type of mold. And I think what makes Deloitte so great—and organizations so great—is the diversity. Going back to diversity, the diversity of people. And when you can see people in their own element and who they are, first of all, it just makes it more enjoyable working with them and I think they perform that much better.

Barry Salzberg: Yep, no doubt about it. Let me just, to round it out, give one other piece of advice that I typically give most of the students. And that is the importance of relationship building and the importance of leveraging those relationships and networks. But I give them a very, very, direct message and I say, "The day that you need to tap into your relationship isn't the day that you create it." Because it's not sincere enough, it's not long enough or sustainable enough.

Mike Kearney: Right, it's not a relationship.

Barry Salzberg: It's not a relationship and it's just a favor of somebody that you happen to know. And so you really have to build relationships early in your career of all kinds, of all sizes and shapes, so that when you need it, when you feel an opportunity to tap into it, you can do it with credibility and likelihood of reaction.

We talk about that, and particularly when you're going to business school, one of the values of a business school education is the ridiculously fantastic sets of relationship you can make either with the other students, with the professors. Or in the case of New York City

where Columbia, which is where I teach, has a presence that can connect and integrate business leadership in the most significant city in the world for business to meet those people and develop relationships with them.

Mike Kearney: Let me ask you really quick, because I think sometimes people get caught up in developing relationships and may not do it in the most authentic way. What are one or two things that you would say people could do to create authentic relationships?

Barry Salzberg: So relationships are a two-way street. You've got to give as you're going to get. So my view of a relationship is to nurture, to be giving, to listen, to advise, to be there when they need you. I mean, I know of a senior partner that once retired from Deloitte. He's got a list of people that he just knows that when he's on the road he's going to pick up the phone and call.

We all have down time. We're not very good at managing that down time. But if you're sitting and waiting for an airplane, for example, why not pick up the phone and give a call to somebody who's on your relationship nurturing list and just touch base with them? So it's interaction, regular interaction, but you've got to give in order to get.

Mike Kearney: So Barry, where did your passion come from for education? I think about Deloitte University, I think of New Profit, College Summit, now you're a professor. And you didn't take the traditional path that many retired partners go down, which is, "How many boards can I get in?" So why education?

Barry Salzberg: You know, just go back to the beginning when you asked me questions about who I was and where I grew up and so forth. I recognized that if it wasn't for the insights and vision of my now wife and her parents, the probability of me pursuing a college education and getting a degree in an area that could ultimately create a career for me would have been pretty low. And I realize without that kind of advice and leadership, really high potential people may not get there.

Mike Kearney: So the title of this podcast is "Resilient" and I'm always interested in what makes a resilient leader. Because we're all going to be knocked on our butt at some point in time. We're all going to go through financial crisis like you did. We're all going to have those challenging times. When you think of a resilient leader, what are some of those characteristics?

Barry Salzberg: Courage, tenacity, boldness, self-starters, committed, don't give up easily, balanced, tempered. You can't let emotions get the better part of you in a situation requiring resilience, so typically it's people who are balanced and methodical. That's what sort of comes to mind and if you think about resilience, it's about how you react to things and how you take a bad situation and make it good. Or at least mitigate the downside of a bad situation and appreciate that that's what you're doing. That's what comes to mind.

Mike Kearney: When I just think about the conversation, and while we didn't talk specifically about resilience, I just think about all those challenging times that you went through and the things that you did to lead this organization to greater places. So I want to really thank you. I mean, we spent a lot of time today, so thank you for your time, first of all.

And I want to acknowledge you. One of things that I was excited about this interview is I've always looked up to you, as I indicated at the beginning, as a great leader. But probably what's meant a lot more to me is the mentorship. I could tell everybody out there that Barry's given me advice and guidance, hopefully to help me out in my career a little.

And then also, the friendship. I mean, for you to come into New York and spend a couple hours meeting with us, that means the world to me. So thank you.

Barry Salzberg: It's quite my pleasure.

Mike Kearney: Thank you for listening to *Resilient*, a Deloitte podcast produced by our friends at Rivet Radio. You can hear us by going to deloitte.com or visiting your favorite podcatcher keyword: Resilient.

Also, several of you have already hit me up on LinkedIn and keep it coming. Provide me with any comments that you have, any guests that you would recommend, it truly is inspiring me and giving me great ideas for how we can continue to make this podcast great. My profile is under Michael Kearney, last name is spelled K-E-A-R-N-E-Y. And remember, leaders who embrace risk improve performance and are more prepared to lead confidently in the volatile world we live in.

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