

## *Introduction*

Gavin Pearson and Stuart Smith were about as different as two people could ever be.

As an infant, Gavin was abandoned by his drug-addicted birth mother. He grew up in one foster home after another until he was ten, when he was adopted by a loving couple.

Two years later, what began as a wonderful family turned to tragedy when Gavin's adopted father, an over-the-road trucker, was killed in an accident while delivering cargo. Gavin was devastated by his father's passing, not only for his own loss but also for his mother. She was trying to be strong for his sake, but the sadness in her eyes and her pale, worried look made him wonder how they would make ends meet.

She cleaned houses during the day and waited tables at night, at a small family-owned restaurant up the street. They were desperately struggling.

Even though Gavin had only known his adopted parents for a few years, they were the only people who had ever truly loved him. He was so appreciative, loving his mother very much. "Don't worry," he said. "I'll do everything I can to help."

In the early hours before school, riding the bicycle his father had given him, Gavin delivered newspapers to homes in the area. Then he pedaled home as fast as he could, with barely enough time to change clothes and say, "I love you, Mom," before leaving for school. Right after the last bell, Gavin jumped onto his bike to cross town and mow lawns in a middle-class community.

Seeing kids playing baseball reminded him of the days when he played catch with his dad. "Son," his dad said, "someday you'll be a great baseball player." Before he died, he told Gavin's mom how proud he was.

Knowing how much he loved baseball, his mom worked overtime so he could play shortstop on the neighborhood Little League team. Because of their unconditional love and relentless encouragement, he honored his parents by following the work ethic they had taught him.

"Excellence isn't where we came from," his mom said, "but it's where we're going. Don't conform to what others do. Always be the best you can be, no matter what."

His mother's encouragement caused him to excel in both athletics and academics. She was so proud of him when he received scholarship offers from major colleges and universities. But then she became very ill, with a serious heart condition.

Without hesitation, Gavin set aside his future to support his mom, who made him promise to go to college and play baseball as soon as she was well.

Gavin got a job at a tire store close to home. With the same excellent work ethic he had in school and sports, he quickly moved up from installing to selling tires on the showroom floor. With his mom's improved health, he enrolled in the local community college, where he took all the mandatory freshman classes. Near the end of the school year, he received a grant to attend the university in the city.

While sitting in psychology class, Gavin asked his classmate, "David, do you like this class?"

"What do you mean, Gav?"

"I mean, do you *like* the class? I'm really into the part about how any opinion, statement, or belief that we hear and accept will be stored in our subconscious. Then it controls who we become and determines our future without us even knowing it. Powerful stuff. It reminds me of what my mother used to say about not conforming to what others say. We can be better than that."

"If you say so." David didn't sound impressed.

Gavin nodded toward the man with the half-smoked cigar. "Hey, who's the scruffy guy who always comes in late, sits at the back, and then leaves early?"

"Oh, that's Coach Zelle. Elvis Zelle, our baseball coach. I guess he's good. Last year, he took our team from last place to being a national contender. He talks to himself and then comes up with the craziest questions that nobody understands. Three days later, you're walking to class when both the question and the answer pop into your head. He's a strange guy."

After his morning classes, Gavin's walk to the tire store took him past the baseball field. When he could, he paused to watch practice and listen to the ping of aluminum bats. He imagined scooping up a ground ball and throwing to first base. In his mind, he heard the snap of the ball in the first baseman's mitt, just before the runner reached base.

A low, gruff voice said, "Love the game, don't ya, kid? Ever play?"

For a moment, Gavin thought he was dreaming, then looked up to see Coach Zelle. "Sir?"

"You're here gawking at my guys. Ya ever play?"

"Mickey Mantle League. Pony League. Played in high school before Mom got sick, but I had to drop out."

"Ya go to school here?"

"Yes, sir. I'm finishing my sophomore year."

"Come on, let's see if ya can hit."

Gavin hesitated, not wanting to be late to work. "You mean now?"

"Did I stutter? I said, *Come on*. Kid, there are only two kinds of people in this world: buttheads, and rockheads. Buttheads know who they are and want to change. Rockheads think

they're princes and don't listen to nobody. Which are you? Pick up that bat and step up to the plate." He looked toward the mound. "Lefty, throw the kid some heaters and mix 'em up with your best junk."

Gavin had barely reached home plate with his bat when a fastball whizzed toward him. He instinctively hit the dirt facedown to avoid being smashed in the ear.

Coach Zelle laughed. "Don't know if you can hit, but you sure know how to duck. Lefty, give him one in the zone."

Gavin sent a line drive into left field. He hit the next pitch above the pitcher into center field, then drove another ball into left.

"Can ya push one?"

"Sir?"

"Can you hit one to right field? Lefty, give him one low and away."

As if the bat knew what Gavin was thinking, the ball flew over the first baseman's head into right field.

"Wanna walk on?"

"Excuse me?"

"Duh ... I said, do you want to try out for the team?"

Gavin shook his head. "I really do love the game, but I have to work to pay tuition and living expenses. I wouldn't be able to make practice. I'm already late for work. Sorry."

"Who do you work for?"

"Jaffco Tires. I sell tires and wheels."

"You work for Buzzy? Don't worry. I'll fix it with Jaffco Tires. You're walking on."



Stuart Smith grew up with two older sisters in the privileged home of a Wall Street arbitrageur. He attended private schools. At the insistence of his overbearing father, he played lacrosse and hockey in high school.

Stuart's father was too busy to attend any games, but he developed relationships with the coaches and got frequent reports on his son's performance. He was also a big donor to Stuart's all-boys prep school, which was his own alma mater. The headmaster gave him frequent reports on Stuart's academic performance.

"Heard you almost scored a hat trick last night, Stu."

"Yes, sir. Only got two. The ref called goalie interference on the third one. He was a real SOB."

"Well maybe you'll do better next time. Get the puck into the net instead of sucker-punching the goalie. You know we Smiths are known for excellence in this town. It's high

time you lived up to it. Get the job done right the first time, on time, every time, and we always win. That's who we are. Our family culture. Maybe one of these days, you'll figure it out."

"Sure, Dad."

"I'm serious, son. If you're going to play for the Bulldogs, you can't be messing around in high school like this."

"But Dad, I'm not sure I want to go to Yale."

"Don't be ridiculous. The Smiths all go to Yale. In fact, we practically built that university. You'll play lacrosse and hockey. You're pledging Beta Theta Pi. I expect you to be Phi Beta Kappa and valedictorian, president of The Order, and wear the skull and bones proudly. After that, you're going to Harvard Law and excel there, just like I did. There are only two kinds of people in life."

"I know, Dad. Buttheads and rockheads. To you, everything is so black-or-white. What about all the shades of gray in-between?"

"Stop being a rockhead. You can't be half pregnant. There are no shades of gray—only the winner's way and the loser's way. I didn't spend those big bucks on your education and bribe all those coaches for nothing. Grow up and be a man. You're a Smith, and we're always at the top. We always win. That's the Smith culture. So you're going to Yale, and that's final."



Excellence, Culture and Transformation. Three powerful words that are overused in corporate circles today. Far more than mere words, they represent principles and processes that drove human behavior in the formative years that made both Gavin Pearson and Stuart Smith the men who they became.

While the words were the same and principles were similar, the two men were very different. Such is the saga of words and principles of our society today. Appearing to be the same, their application is remarkably different.

Backgrounds, points of view, values, and deeply seated beliefs define who people are.

## **Excellence**

At Excellent Cultures, we believe Excellence is a deep-seated belief system that engulfs the life, soul, and lifestyle of everyone—individuals, families, teams, companies, and nations. Our research and nearly five decades of experience producing the world's best cultures for some of the world's best companies and their leaders indicates something powerful and highly significant.

Merriam-Webster says the word *excellence* is derived from *excellent*, which they define as very good of its kind, eminently good, *first-class*, *superior*.

## Transform, Then Thrive

Many talk about excellence as if it were an everyday household word. A small portion is relentlessly committed to excellence, is living excellence, and is leading others to excellence.

Excellence is more than winning or being number one. It's the lifestyle of daily living, beyond Kaizen, Six-Sigma, Lean, and other forms of continuous improvement. In fact, without a *culture* of excellence, continuous improvement processes never work to their full potential. Excellence means ...

- never settling for mediocrity.

- working better and smarter all the time.

- being a leader in high-quality visions and solutions.

- impacting the lives and futures of everyone you influence.

- never stopping short.

- always seeking something better.

- being joyfully and continuously dissatisfied with the status quo.

Most leaders go to sleep concerned about their problems and wake up frustrated, because nothing changed while they were dreaming.

Leaders who are relentlessly committed to excellence go to sleep thankful for problems to solve and wake up inspired with solutions they can hardly wait to implement. They know who they are, love what they do, and know why they do it. What others call problems are seen as opportunities. They constantly search for the truth, and the truth *beyond* the truth. They inspire others without having power or authority over them. They embrace dreams to *be* better and *do* better, loving what they do. Their dreams go beyond self-focused self-improvement to team-focused service over self-culture. They have the uncanny ability to connect and align people's dreams with their own. People don't follow them because they must. They follow because they are inspired by their leadership.

## Culture

Culture is the most misunderstood word in the corporate world. Leaders and employees talk about culture non-stop, but few have a good understanding of what it is. Why? Because most people think they already know. They don't know what they don't know. The problem is, the word *culture* means something different to everyone. Therefore, people think they are talking about the same thing when they actually aren't. It's like asking a group to visualize a *fruit*. People nod as if they have the same picture, but each one sees something different: an apple, orange, or banana. Maybe a cherry or watermelon, which are nowhere close to the same. In Latin America and the tropics, it might be an avocado, pineapple, or papaya. In apparent agreement, they are confused but don't know it, and they don't know why.

Using the word *culture* will create confusion until everyone has a clear picture of what is meant. Welcome to the corporate world and to organizational frustration.

A simple Google search reveals two primary definitions of corporate culture—one from Harvard (US), the other from Cambridge (Europe). Put together, culture is simply *the set of shared beliefs that govern how people behave at work*.

When the boss is perceived as a jerk, employees behave opposite from those who believe the boss is phenomenal. Those who believe the economy is rough will anticipate major struggles. Often, they will even unknowingly create problems to justify their beliefs. Conversely, those who believe the tough economy presents exciting new opportunities will excel.

Peter F. Drucker, the father of management, says, *Culture eats strategy for breakfast*. The Harvard Business School says, *Culture eats strategy for lunch*. Costco co-founder Jim Senegal is known for saying, *Culture isn't everything. It's the only thing*.

## Transformation

The word *transformation* is used so frequently and loosely in leadership, business, and corporate circles that it is misunderstood as much as *culture*. Because words and their meanings are powerful forces that drive action and behavior, let's circle back to Merriam-Webster's definition of *transform* so we can be on the same page. *Transform* is ...

- to change in composition or structure.
- to change the outward form or appearance of.
- to change in character or condition: convert.
- to subject to mathematical transformation.
- to cause (a cell) to undergo genetic transformation.

All these definitions have the central concept of phenomenal change. It's quite interesting that the ancient Greek word for transform is *metamorfóno*, from which we derive the English word *metamorphosis*. For our discussion, perhaps *metamorphosis* is a better single-word description of *transformation*. Now, let's look at Merriam-Webster's generic definition of *metamorphosis*:

- Change of physical form, structure, or substance, especially by supernatural means.
- A striking alteration in appearance, character, or circumstance.
- A typically marked developmental change in the form or structure of an animal (such as a butterfly).

Indeed, *real* transformations are like beautiful butterflies that emerge from non-descript caterpillars. Not only are the changes deep, but they are lasting and sustainable—the opposite

of New Year's resolutions that fade in a week or two, only to be repeated a year later with the same frustration.

Transformation is more than a desire to do better. It is a permanent change in identity, from inside-out rather than outside-in. Using a plant analogy, the change is at the roots, not just the fruit. True transformation must focus on changing the very soul of an organization—the hearts and minds of every leader, employee, vendor, customer, and even family members. It is a complete cultural change.

Transformation is more than a desire to do better. It is a permanent change in identity, from inside-out rather than outside-in.

Real transformation changes people's individual cultures and everything touched by them. Transformed hearts and minds then change everything on the team or in the organization. The changes and improvements never stop. Most importantly, they are lasting in nature. They are sustainable.

Why is this important? It's the crucial element that makes a group function as a team. It's what allows teams and organizations to blend their individualities into one mind and heart that *celebrates* diversity rather than *tolerating* it. The outcome is synergistic, where one-plus-one adds up to more than two. It can equal anything from twelve to seventy-seven depending on how much synergy you have. We've seen this happen on sports teams from time to time, when they are "in the zone." Many of us have had the rare opportunity of being part of a synergistic team when this was the case. But how does it happen? How does one *create* or *cause* synergy?

Excellent Cultures has spent nearly five decades producing the world's best cultures for the world's best companies. Having worked with the whole spectrum—from individual leaders hungry to excel, to mature startups that want to be around for generations as well as world class Fortune 5's rapidly on the move—we've learned what works when it comes to real transformations. We've also learned what doesn't work, what's a temporary fix, and what's a profound waste of time.

As you read about the cultural transformation of the fictional NOP Inc. in *Transform, Then Thrive*, you will identify with the challenges and frustrations that leaders and employees experience. You will likely find NOP's challenges similar to your own experiences as a leader striving for excellence. You will definitely enjoy the profound insights offered by young CEO Gavin Pearson and corporate transformation expert Elvis Zelle, his former College World Series championship-winning baseball coach, as they combat Chairman Stuart Smith's warped, self-serving ambitions, greed, and manipulation.

You will learn the core practices and data-driven strategies that produce triple- and quadruple-digit ROI growth, and you will understand the emotional journey behind real and sustainable transformation.

## Transform, Then Thrive

Most of all, as you trace the vices and victories that NOP's leadership team travels through, you will learn to transform from inside-out rather than outside-in. Your success won't fade and disappear by the next season like just another New Year's resolution.

You'll sustain your success because all change that's meaningful and lasting originates inside and works its way out. Above all else, you will experience Excellent Cultures' proven process to *Transform, Then Thrive* and never again waste your time, energy, or money making yet another failed New Year's resolution.