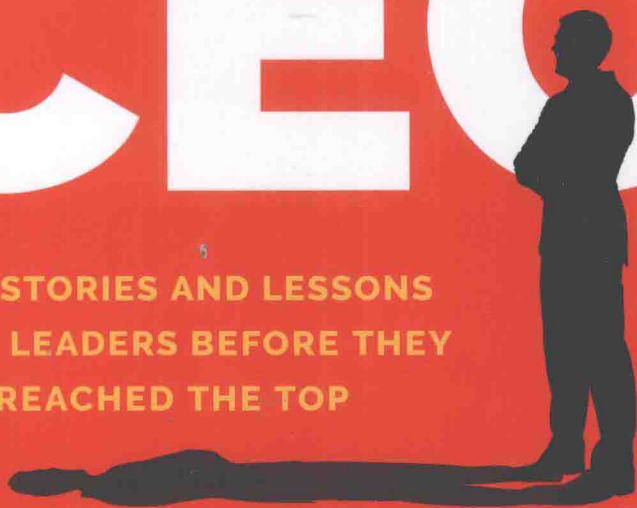


PETER VANHAM

BEFORE I WAS CEO

LIFE STORIES AND LESSONS
FROM LEADERS BEFORE THEY
REACHED THE TOP



Including stories from Edelman · American Red Cross · Infosys
Bain · Heineken · Nestlé · Tupperware · Wharton *and many more*

WILEY

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BEFORE THEY REACHED THE TOP**

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Foreword

LEARNING TO LEAD FROM THOSE WHO HAVE LED

How do you become a chief executive officer?

It is a great question and one that never grows old. Aspiring managers have no doubt wondered about it since the office of the CEO was invented, and it recurrently inspires stories in the business press. Students in my MBA classes are perennially curious, as are managers in our executive programs and participants in our leadership conferences.

Intellectual curiosity drives some of the attention, just as we might be naturally interested in how an individual became a concert pianist or a news anchor. But, I think pragmatic inquisitiveness drives more of the attentiveness. If managers can learn the personal pathways from those who have arrived at the top, they might find a proven roadmap for doing so as well. For those like myself who offer learning programs on leadership, CEOs looking back can also throw light on one of most vexing but also most vital career questions of all: how exactly does one learn to lead?

Peter Vanham's *Before I Was CEO* offers just that, a lifting of the curtains on the personal itineraries of twenty diverse CEOs. Some are American; others are from Belgium, India, and beyond. The accounts are firsthand and in-depth. Peter visited with each of the chief executives featured in his book, and he came to know them in their homes, at their offices, and on their travels. He followed them around the world, from Amsterdam to Washington, Dubai to Davos. From his lengthy sit-down interviews comes a unique set of accounts, deeply personal and compellingly instructive.

For some of the featured CEOs, including Patrick De Maeseneire of Adecco Group, the world's largest staffing organization, and Gail McGovern of the American Red Cross, the pathway was a very methodical one. With the final goal clearly in mind, they foresaw

the roles required to master the craft of ever more responsible general management. They took them one step at a time with their progressive mastery much in mind.

For other CEOs, their way up was more a story of serendipity. They happened to be the right person at the right time, or a fortuitous connection proved providential, or they were just doing what they loved to do when they were tapped to take charge of more and more of it. While these pathways are less subject to design, they still call for the adage of scientist Louis Pasteur, “chance favors the prepared mind,” or Facebook’s Sheryl Sandberg’s “fortune favors the bold.” There is no predictable way to the apex but, when fortune strikes, being prepared and being bold can be critical, making the most of what you can’t control.

Still others report the power of a seminal figure, a teacher or a mentor or a boss who proved pivotal. When Kris Gopalakrishnan, for instance, had failed an entry exam to study medicine, a college teacher picked him up, restored his equanimity, and moved him on a path that would eventually carry him to the corner office of the preeminent Indian outsourcing company, Infosys.

For all the diverse tracks, two common threads stand out. First, a majority of the CEOs spent long periods of time abroad, far from the headquarters. While being out of sight can conjure fears of being out of mind, the international experience more than made up for the home office absence, an essential credential for an era when virtually all major organizations are globalizing.

Second, many of the CEOs have sustained a vibrant family life along with their demanding professional life. The stereotype of the driven workaholic with too little time for the second half of the work-life balance was simply not found among our CEOs. And, from their journeys, we are also reminded of the life well lived: discover and develop your passion, find a career line that calls upon it, take time to meet the right life partner, and invest in that lifetime together.

The chief executives also prompt us to keep the present engagement just as much in mind as the final goal. Savor the present, they say, enjoying the journey as much as the destination. This is one of the lessons learned from Paul Bulcke, CEO of Nestlé, the world’s largest food and beverage company, headquartered in Vevey, Switzerland. He reported that he had spent more than a decade in the turbulent markets of Latin America in the 1980s. Crime was rampant, economic

growth volatile, and inflation out of control, yet he reported savoring every day's working challenges. For many years he was off the radar of his bosses in Vevey, and he was not thinking about one day becoming chief executive. But he became widely recognized for being a dedicated company manager who could achieve results even in the harshest of circumstances.

Before I Was CEO is filled with these and a host of other insights into the market forces and personal decisions that helped elevate the managers into high office. No two pathways to the apex are identical, and no single pathway is a sure way to get there. But in hearing directly from those at the top, so well chronicled by Peter Vanham, we are all better informed for both our intellectual understanding of these pathways and our pragmatic appreciation for what has propelled their travelers to the top.

Michael Useem
Wharton School, University of Pennsylvania

Introduction

CEOs of large multinational companies can seem like rock stars. They earn millions of dollars, make decisions that affect hundreds of thousands of people, and sit in oak-paneled, marble-decorated offices. It seems like they were always different from us. They were the ones who went to Harvard, Wharton, and Stanford; the ones who got the best jobs; and the ones whose career went straight up ever since. Or if they were entrepreneurs, they founded their companies at 21, dropped out of Stanford University, and became billionaires by age 30. At least, that's the impression you'll get from reading the profiles of some of the most successful entrepreneurs and business men and women in the world.

If the classic image we have of a CEO is true, then most of us can stop dreaming about ever becoming truly impactful in business. Only about 1 percent of students went to an Ivy League school (and less than 2,000 students get accepted at Harvard College each year). And if you did come from such a top school, there's still only a fractional chance you were one of the two archetypes described above: the valedictorian who got hired by McKinsey, or the dropout who funded a billionaire startup. From then on, it's too late to turn the tables. As a matter of fact, even if you currently work for Goldman Sachs, Blackstone, or Google, most likely there's someone else who you may think is on a faster track to success than you are.

Yet most of us have big dreams and ambitions: we want to get ahead, and we want to have an impact. When we were young(er), we may have wanted to be a famous musician, a sportsman or woman, or a UN Secretary-General. (In my case, curiously, I dreamt of being the Pope.) In our college years, many of us turned to goals for a business career. But as we reach our mid-twenties, mid-thirties, and mid-forties, we begin to realize we might never be a billionaire startup founder or a large company CEO.

Luckily, the prevailing ideas about success in business could be wrong. In 2013, I set out to test the hypothesis that CEOs are a

breed of their own. I started writing to CEOs, chairmen, and other accomplished business leaders, and asked them a set of simple questions, including:

- Have you always known what you wanted to become in life?
- Which were some “watershed moments” in your life and career that made you who you are now?
- At what time in your life did you get on track to becoming a successful manager/CEO?

I took a personal interest in this. I had just finished graduate school and was doubtful about which direction to go in my own career. I had previously worked for consulting firm Bain & Company, and after two years, had decided to instead become a journalist. Although I was convinced it was the right choice, my life and career weren’t going the right way. I wanted to know: Is this a normal process, or does it mean that I am now out of the career race once and for all?



The first interview seemed to confirm that business success is a privilege available only for the supernatural few. I spoke to Jonas Prising, a Swede who was then president of ManpowerGroup, a Milwaukee, Wisconsin-based company, and one of the largest HR consulting firms in the world. He looked like the Hollywood version of a business man: He was in excellent shape; had a gleaming smile, like you’d see in a toothpaste ad; wore a nice, fitted suit; and was friendly and energetic. Moreover, his resume indicated that he had always been successful. Since graduating from college in 1989, he had worked for only three companies, getting a promotion on average every two to three years. He started his career as a salesman at appliance-maker Electrolux and climbed the ladder to become global sales director. After that, at ManpowerGroup, he grew from country manager to global president. And by the time I saw him again after our first meeting in 2013, he had become chairman and CEO. He breathed success.

The way Prising described his early career to me sounded like he was a “Super Businessman” even then. At a young age, he had

taken a break from college to travel Asia, he told me, but it wasn't to merely travel around. Instead, his father had helped him secure an internship as a door-to-door salesman with Electrolux, a Swedish multinational manufacturer of household appliances. (His father was then a senior executive at the company.) I asked him if it was difficult being so young and on your own in a foreign country selling vacuum cleaners, water purifiers, and other products door-to-door. "Not really," he said. He explained that sometimes he would knock on 100 doors and not sell a single product, which was tough, but other times, he might knock on three doors and two people would let him in. The important part, he said, was that he "didn't take instant failure as a measurement of future failure." He was someone who always saw the glass half full. He was the eternal optimist, and he was very resilient. "If you really want something, there is a good chance you will get it," he explained. He had really wanted to succeed at the sales assignment, and he did.

The longer I spoke to Prising, the more I was convinced that some people are indeed born for success. I admired that he had done so well. He did face difficult choices in his life and career, but he was just one of those people who mostly made the right choice at the right time. After 12 years at Electrolux, for example, the division he worked for was sold. He faced a choice: Should he stay or should he go? He decided to leave the company and maintained a positive attitude about the future. "If things don't work out, for you or for the company, you will always have another opportunity elsewhere if you're flexible," he explained. He did get another opportunity. He got headhunted to join Manpower, and quickly grew in the ranks there, too. "I had a pattern that worked for me," he said. "I accumulated experiences, did well, and the next opportunity would come." He said his goal was never to become CEO, but he did want to progress. And time and again, he did.

However, as I spoke to more people, I started to realize that Prising's story was more like the exception than the rule. One particular example of this is Paul Bulcke, the CEO of Nestlé, who you will read about in this book. Until he was in his thirties, he wasn't considered a 'high potential' in his company, trailing some others in career progress. He was perhaps the most powerful of all CEOs I met, being in charge of a global food imperium of more than \$100 billion in almost 200 territories. But he was also one of the interviewees with the most "human" stories. This, I found out, was a common

thread among successful business people. Yes, they made it to the top eventually. But they had a bumpy journey on the way there.

This book tells the stories of some of the most accomplished business men and women in the world. It offers advice and looks for commonalities, but it is first and foremost a collection of personal stories of individuals who talk about what life was like “before I was CEO.” The book is divided into five parts:

Part I: Adversity In this part, we look at adversity and how to overcome it. In Chapter 1, we look at the stories of David Kenny and Orit Gadiesh, who learned to be resilient when faced with adversity in their personal lives or at the companies they worked for. In Chapter 2, we look at how to deal with external shocks, like an economic crisis or a terrorist attack. We learn how David Kenny, Raf Keustermans, and Kris Gopalakrishnan dealt with the burst of the Internet bubble.

Part II: Opportunities In this part, we turn to dreams and opportunities. In Chapter 3, we meet Alberto Vitale, an Italian who crossed the Atlantic to chase his American Dream. His key to success was to actively seek opportunities, and to be a “go-getter.” In Chapter 4, we meet the deans of NYU Stern and Wharton, who also left their home countries in Jamaica and Australia to come to the United States, but who took a more serendipitous approach to achieving success.

Part III: Off the Beaten Path In this part, we are following people who went off the beaten path. Paul Bulcke, who you briefly met in this introduction, left for Peru in the 1980s, a time of major upheaval in the country. His story is in Chapter 5. In Chapter 6, you’ll read about Jean-François van Boxmeer, who ultimately became CEO of Heineken, but spent the 10 first years of his career in Congo and Rwanda just as those countries were going through a civil war.

Part IV: Breaking Free and Coming Home In this part, we learn about breaking free and coming home. In Chapter 7, we meet Rick Goings and Susan Cameron, who had to break free from their family situations to become successful. Goings had to leave a broken home, and Cameron had to break with the gender roles of her time. Conversely, in Chapter 8, we hear the stories of three people who drew strength from their family situation: Johan Aurik, Barry Salzberg, and Steve Davis.

Part V: Role Models In this last part, we take a look at some role models. In Chapter 9, we meet people who could walk in their parents' footsteps: Richard Edelman, Sir Andrew Likierman, and Chris Burggraeve. In Chapter 10, we get some advice from mentors: Patrick De Maeseneire and Gail McGovern.

There is also a "Conclusions" section at the end of this book, where I look at some of the common threads I found in the stories of all the business leaders I met while putting together this book. Which traits do they share? Which examples should we follow? And what should we target as final outcome ourselves, as we are building our own lives and careers?

The conclusion is uplifting: Most CEOs and business leaders had very much a regular life until some point in their career. They had their ups and downs, their successes and failures, and shoulders to cry on. They weren't very interested in becoming CEOs until late in their careers, preferring to look for happiness "in the moment." They pointed to life-changing events, random luck, and serendipity; and that the reason they succeeded was because they persevered, not because they had a flawless run to the top. So they would conclude that many people have the potential to become CEO.

This book offers a unique insight into the paths many of these successful business people have taken, and the lessons they learned along the way. It will give you practical tips to succeed, and I hope it will help you find your own motivation and enable you to answer this rhetorical question:

Now that you know what it takes to become CEO, is this indeed what you want to pursue?

For me, researching and writing this book has been a huge help in answering this question. I hope it is for you as well.

Peter Vanham
New York, Summer 2016

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PART I: ADVERSITY

Are CEOs among those rare people who were born lucky, never facing difficulties in life? Have they faced challenges along the way like anyone else? Or did they live through more adversity than most, making them stand out from the crowd? In this first part of the book, we'll meet people whose career is defined by adversity. They emerged as leaders through their ability to cope with it or even turn it in their favor. But even for those who eventually thrive, dealing with adversity doesn't always come easy. That's what we'll learn in this first part of the book.

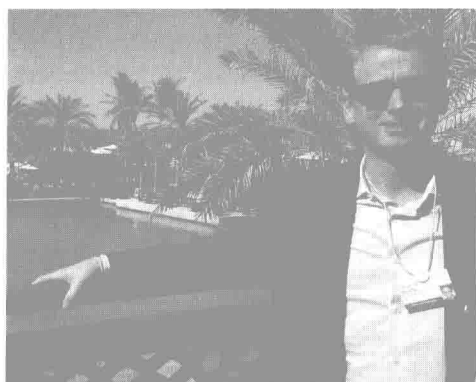
In Chapter 1, you'll meet Orit Gadiesh, chairman of Bain & Company, and David Kenny, general manager of IBM Watson. Both are doing extremely well and so are their companies. But back in 1990, the company they both worked for was in great financial trouble. How did they cope with it and what did they learn from it?

In Chapter 2, we turn to external shocks that affected nearly everyone: the dot-com crisis and 9/11. We'll meet three individuals who led a company that was active during the Internet 1.0 era, and learn how they reacted when that bubble came crashing down. One of these people is someone introduced earlier in the book: David Kenny, then CEO of Digitas. The other two are Kris Gopalakrishnan, one of the founders of Infosys, and Raf Keustermans, the founder of Cyganet.

Through these individuals' stories, we'll attempt to answer the following question: *How do you deal with adversity?*

Chapter 1: Finding True North

The Stories of David Kenny and Orit Gadiesh



David Kenny



Orit Gadiesh

BOSTON, 1990

“I got an outside offer,” the man said as he walked into the office of Orit Gadiesh, a 37-year-old partner at Bain’s Boston headquarters. “Should I take it?”

For the past several months, managers and partners had been leaving the firm in droves. The up-and-coming consulting firm had gotten in trouble through a dangerous cocktail of poorly managed debt, an opaque governance structure, and a reputation for being “too hot to handle” that had gone sour. Now, as Orit was working alongside other partners to ensure the survival of the company, the man in front of her was likely to be the next in line to get out—and she couldn’t blame him. Like him, she was talking to headhunters about options outside the firm.