Adapt or Die Value Based Leadership Session

West Point, April 16, 2015
In the fourth session of the “Adapt or Die” series, Zensights gathered nearly 30 Biopharma leaders for an exclusive, behind-the-scenes tour and leadership summit at the world-renowned United States Military Academy at West Point, in West Point, New York. The leadership summit featured an inspiring keynote speech by Lieutenant General Rick Lynch and insightful leadership lessons by General Ben Griffin, Mr. Joe Truitt, Dr. Francois Nader, and Mr. Ken Banta.

The highly successful Lieutenant General Rick Lynch has earned countless military accolades for the amazing service he has done for our country; leading and caring for thousands of men and women in the US Army. He is the author of the leadership book titled, “Adapt or Die: Leadership Principles From an American General.” From his meager beginnings, he has lived his life in the most impressive manner. He was the first person in his family to graduate from high school. Due to his intestinal fortitude to succeed he managed to earn himself a coveted spot at West Point. He first stepped foot on Academy grounds on July 2, 1973, and it solidified an already amazing young mans destiny. It was at West Point that Lt. General Lynch learned, in a very personal manner, how important the Cadet Honor Code is not only in the Army, but also in life; “A cadet will not lie, cheat or steal, or tolerate those who do.” This critical lesson along with the motto “Duty, Honor, Country,” remain cornerstones in his life. His exposure to a great mentor throughout his career, General Ben Griffin, helped to shape his distinguished 35 years in the Army.

Some Insights into Applying Value Based Leadership

As Lt. General Lynch commanded troops in the Army, he learned that one must ask three questions to exemplify “Duty, Honor and Country:”

- Are we doing the right things?
- Are we doing things right?
- What are we missing?

In addition, drawing from spiritual leadership and the cadet’s prayer, Lt. General Lynch also learned that it is:

- Always better to do the harder thing right, than the easier thing wrong.
- When confronted by the truth, don’t succumb to hypocrisy or false pretense.
- Never settle for the half-truth when the whole truth can be achieved.

It is critical to identify who the ‘people of value’ surrounding you are. Then ask yourself where do these values come from? As a result, it is critical that you:

- Identify what your personal values are – where do they come from and how important they are to you and your organization.
- Determine how you communicate those values to your organization. 70% of communication stands on the listener. Are you living by those values? How are they being instilled in your people? Everyday something happens unforeseen and you must be the example.
- Guide yourself with ethical decision-making – identify what you are missing? What do you pretend to know, but you really don’t know? The hope is that you leave with more values and more prepared to conduct yourself with more ethical decisions.

If your manager doesn’t reflect similar values you can be silent and proceed or remove yourself from that environment.
Adapt or Die Value Based Leadership Executive Panel:

1. What are the values that have been set up at work and are they at odds with your values?

Joe Truitt: As a mid-cap company, there isn’t always alignment in what we are trying to achieve with what shareholders want because there are a lot of short term investors. What we do understand is that we need to deliver a cure for Hepatitis C. We clearly put the patient at the center of our focus. We constantly remember that although we are doing advanced chemistry and biology, we want to do no harm to patients, rather we want to heal patients. We have core values in the company. We value innovation and we also try to instill tenacity in our people. We don’t punish risk takers (excluding anyone that puts patients at risk). Values can evolve over time. I came from a hard working family with a great work ethic. Our grandma made us go to church and I grew up in a tough neighborhood where loyalty was very important. I served in the Marines and they gave me core values. They expect you to carry out values for life. I have worked at companies where values where reinforced and rewarded.

2. Do the values learned in the Military carry over to the private sector or have you evolved into other values?

General Ben Griffin: You are a very impressive group. Always build upon what has gotten you to this place. I don’t speak about religion and politics. You come in with values. I am an eagle scout and out of all of the awards earned, I kept that award. You form values from your parents, church, school and friends. Since retiring, I have started 3 small businesses. I work with 4 to 5 companies, and also worked with major corporations. I only work with people that I want to work with. I am not sure that you change your values but you learn more each day with your interactions with people. The most successful companies and leaders have very high values and readily share them with you. You have two choices, you do it or you don’t do it. And you must be a good listener. I applaud the development of smart phones but you must turn off the phone when meeting with people or it shows that you are not listening to them.

- Treat people with respect.
- Do what’s right, legally, ethically and morally.
- Give a 100%. We don’t train to be in second place.

The most successful leaders live by these principles whether simple or sophisticated. I like John Wooden’s mantra of always do the little things right.

3. How do you turn a failing organization into a winning one? What values did you focus on that turned NPS into a success?

Dr. Francois Nader: I joined NPS when they had issues with the FDA and $180 million dollars was due in 18 months. When I joined the company it was worth $150 million dollars. I joined because I saw value in its products and people. I didn’t have a clue how to turn it around, but knew that I could do it. Investors wanted us to act first and then think. However, we needed to stop and think. I saw value on what we had and I created a new business model. We picked up rare diseases. The second part was the human part, as we went from 450 people to 40 people. This was not pleasing and it was very painful for
employees but we treated employees with respect. I sat in my office and tried to solve for the “what.” This means that I asked myself the simple question of how I want the company to operate. I remembered where I enjoyed my career most and identified the values that drove me to be fulfilled and aimed for that. In addition, I put the patient at center since I am a physician. To me, integrity and respect are non-negotiable. At all times, personal accountability is extremely important, so the buck stops there. Excellence is non-negotiable as well. We added teamwork since you can’t do something alone. But we were missing one thing, so we added having fun. For years, these were the values that we had. As the company grew, we didn’t change values. Finally, we added entrepreneurial spirit. We recruited people that lived these values. We took action on people that didn’t exemplify the values. I had to dismiss two direct reports that didn’t treat people with respect. I don’t believe in having plaques on the walls; the minute that it takes to read it, means that we are not living what’s on the plaque. We included values in personal appraisals and this was binary. Either you are meeting or not meeting the values. So we put them into action and every new employee would sit in the CEO’s office and tell me who they are as a person and then I would tell them how to be successful in the organization. This was focused across the executive team and cascaded down to achieve credibility. But you can lose that credibility in half a second if, as leaders, we don’t abide to the values all of the time. When the patient is at the center then we make decisions on whether or not it is good for the patient and does it abide with values? We took the company from $150 million to $7 billion in 7 years. There isn’t a right or wrong approach. We used a model and it worked for us. You must work in an environment that fits your value system.

4. Which value was the hardest to implement?

Dr. Francois Nader: Most difficult was excellence and my high expectations for myself and others.

5. How do you balance wanting to do the right thing with delivering the right thing, especially when your values are at odds with your supervisor’s values? Do I quit or do I influence?

Lt. General Ben Griffin: In the end, you have to live with yourself so you should assess if it is a personality or value system issue? If you stay in an organization long enough, you will run into someone that you don’t align with. Do you adjust? You must identify who is your customer and who is your boss. Do you mold or do you mold that person? Is it right or wrong? If it is unethical, you go away from it. One thing I find interesting, some young commanders want to point out what’s wrong, blame the previous person. People respect you more when you stand up and say I’m not doing that.

Joe Truitt: It was really hard in the military, when you have a change in command. You don’t have any recourse in the military. In a corporate setting, the industry is big enough that you don’t have to work in that circumstance. I experienced something similar and we left and started something much better. I interview people on the values to make sure that it fits into our company’s value system.

6. Do you recommend going to the next level up and escalating an issue that conflicts with the organization’s stated value system from an ethics perspective?

Dr. Francois Nader: It is not necessary to go to the next level. Identify who has the influence, could be HR, CEO or a peer, etc. Simplify it and ask if I can live with myself. You always have a choice. Think about what you can do about it. Can you influence or change it? It is critical to have honesty, courage, tenacity, transparency and humility. You must master the art of crisis management and problem solving. Check the facts first. Copy good traits of great leaders and avoid the bad traits. Trust is the glue of organizations.