

## "The Orange Code"

Bruce Philip and Arkadi Kuhlmann

Kindle Notes by Dave Kraft

“A consistently optimistic contrarian”—never satisfied, yet never discouraged. I have always believed that things get done only because someone wants them to get done. As a leader you must know who you are, what you stand for, and what you want to build. Above all, everyone needs to know this, too, consistently and clearly. And I simply said, “Let’s do it. I will promise you a worthy battle. It will test you, but, most important, you and I together will earn our success.” Arkadi keeps his edge by constantly being aware of what a fragile target a cause like this is, and how it’s not only competitors that might find it threatening. He has been quoted often as saying he feels like he’s “leading a Southwest Airlines owned by an American Airlines.”

In our “dirty dozen,” there has often been one who didn’t truly buy into what we were trying to do. I constantly test and watch for the signs that someone could turn, and if it happens, deal with the situation quickly and firmly. Getting stabbed in the back can be useful if you use it as a lesson in the value of trust and strength of character. Stay objective; never publicly make it personal or single anyone out. Attack what those competitors stand for, but not who they are. The best battles, the ones that bring out the best in people, are the battles over ideas.

Picking a team, he declared, is one of a leader’s most basic responsibilities, and is too important a task to rely on mere formal interviews and tidy curricula vitae (CVs) as the bases for making decision. They were the best because they had heart. Skills are easy. They can be learned if people don’t have them already. But drive is in them or it’s not. The hunger to be inspired is in them or it’s not, and so is the need to make a difference. And nowhere is this more vital than in the people who are closest to the boss: the inner circle.

These are the people who make the leader’s vision visible and real to the people who touch the customer every day. Even in a company as high touch as this one is, the CEO is a busy guy. You don’t see him often or for long. But you do see the people he has chosen to trust with the vision and, paraphrasing Emerson, you really can know a CEO by the company he keeps. And these people are much more than their resumes. It’s like in the movies when the captain screams, “Give me all the engine power you have!” Building an inner circle is a matter of collecting characters and personalities. You need color and unique skills to manage the human side of any team. The idea that a pile of resumes makes a team is ineffective and stupid at best. To be clear, this is not politics or sports. It’s business, and the stage is everyday life. So everything counts. My inner circle knows that they are there, and that loyalty and trust are not only central, but also the only real payoff for fighting alongside one another. Who are you going to stand with?

It's a reminder that the ones who make a difference operate from personal belief, know who they are, and stay true to both of those things. When your company is a cause, leadership can't be a science. It was going to run howling straight into the jaws of the status quo and expose it as a broken and unworthy basis for comparison. ING Direct's pixie dust was its sense of purpose. And yet a mission—a cause—is one of the most effective leadership tools humans have ever devised. They organically attract the right kinds of people and turn them into teams. They produce a more empowered employee who knows what's right, even without a policies and procedures manual. The great mission statements are music to hear and read, sticky, and difficult to walk away from. Being an entrepreneur at heart. With a start like that, ING Direct was bound to be anything but a bank, and Arkadi was certainly not going to settle for a team of off-the-rack bankers. My own view has always been that real heart and commitment only come from someone who has tasted failure and injustice. Life is not a straight line.

As Arkadi points out, a team like this can't be a democracy. Consensus management isn't very compatible with a young organization on a mission. Jim brings humor to Arkadi's intensity, common sense to his visionary zeal, measuredness to his passion. To ride beside him, Arkadi didn't choose a copy of himself, but a counterweight: yin to his yang. I think that a key thread that runs through the posse is a "get it done and get it right" Some companies are like families, led by leaders who act as parents. Some companies are like armies, led by generals. Some are like teams, led by coaches. GWP has always been more like a rock band, led by whoever is writing the songs.

Our work was provocative, and it was productive. People talked about it, and it got results; who wouldn't want to take that show on the road. We were not, and I am not, a traditionalist. We had no uniforms, hand signs, company song, or team motto. We were not the Marines or the Boy Scouts; we are, in today's world, a posse of odd lots with a very big desire to kick butt. We are on a mission, clear and simple; tolerant of other agendas and side issues but clear on why we are together. I felt then, and still do today, that great ventures are achieved because someone wants them to be. If you wish to make money and change the world you need a bold idea and you need a plan to get to the top of the mountain. The leadership's role is then to remove uncertainty, show conviction, and thereby marshal the resources.

All business does imitate life. The simple question "What if we started over?" in a real sense built ING Direct, but anyone can ask it. It's hard to believe there's a business that couldn't benefit from pretending, just for a day, that it's looking at a clean sheet of paper. We sought clarity by getting above the tactical confusion. Why are we here? What are we going to do? How are we going to do it? When and where just completes. If it's any good, it can be simple. And if it can't be simple, maybe you've still got some work to do. Selling an idea at ING Direct—and believe me, I know—is like selling a script in Hollywood: If you can't explain it before the elevator doors open, don't bother trying. Good leaders try to motivate their employees. Great ones try to inspire them. "We already have corporate values," he said. "What we have to do is make them drive the way we operate."

”Margaret Rose, head of operations, is a no-nonsense executive who just gets things done. Her tough approach tends to hide her passion and commitment, but she has them in spades. A willingness to change always runs into a clear conflict with the need to standardize and formalize business processes and how things get done. It takes a village to raise a brand. This all works because everybody is pulling together, and they’re pulling together because more effort was put into culture than into process. Manage the culture, and the culture will manage the business. Manage the culture with an idea, and it will grow it. The clearer your purpose, the less fixed your plan seems to need to be. A clear sense of purpose is strategically liberating. You need to have good judgment about people and their leadership potential. My experience with the Orange Code was always to remind me that if there is doubt about an individual, there is no

All leaders sometimes fall into the trap of thinking too much and not trusting their instincts when they make a decision about people, and then hanging on to their mistakes too long. Never underestimate the treasure of finding great people who get it. Stick to a logo, a tagline, a color, a message, and a campaign theme that does not change year to year; for how long? For as long as you can keep creating positive energy and ideas on the same fundamental brand values. All ideas are born drowning. If a company is more managed than led, the fact that everyone has their own agenda is just part of the deal. Still, if you hire well and stick to your principles, this is a tolerable leadership challenge. Every good person, in the end, wants to play for a winner.

They just can’t all see as far, as clearly as the leader must, and why should they? That’s what leaders get paid for. The challenge for tomorrow’s leadership is not to avoid growth, but to somehow keep the flame alive in the face of it. Change for the sake of change, at its most benign, deprives people of the chance to figure you out. At its most dangerous, it tells them what they see can’t be trusted, Close your door, take a deep breath, and make a list of what could do your organization in. It might just be the difference between being a manager and truly being a leader.

Leaders of all stripes need to remember that if you focus on never making mistakes, you’ll never get anything done. Flawlessness is not a worthy objective, nor does it have anything to do with motivating an organization around a cause. How connected is everyone in the company to the vision and mission? Winning their hearts and minds is a tall order. Most leaders are not conscious of the work needed or are simply not willing to make this happen. But you can never stop trying Work has become, for many, less a simple responsibility and more of a calling and a search for meaning. It’s personal, now, and there is no way to manage around it. In the early days, Michael would drop pebbles and sometimes rocks into the lake of conversations. Nothing can be sacred here except for our mission. To be challenged is not to be criticized. It is to be invited into the process of invention.

