

Case Study: Framing the Phoenix

“The most difficult speech I ever had to make was that last speech at CDNOW. I’m talking to over 300 people who are about to have their jobs go away, including my own, and I can’t tell them that this is a good thing or a smart thing.”

What can leadership do to keep their team motivated during management shifts, mergers or even good-byes? Michael Krupit, former CEO of CDNOW, talks about communications, sourdough bread and the value of a good coach.

Over a year after their purchase by Bertelsmann eCommerce Group (BeCG), after ongoing negotiations, restructuring, and layoffs, Mike Krupit faced delivering the final tough announcement. “... when (Bertelsmann) made the decision that they didn’t want to continue CDNOW operations in Pennsylvania,” said Krupit, “they left all the communications to me.”

“It was going to be very difficult not to sound negative... but I couldn’t sound positive, either.”

So what did he talk about? Sourdough bread “starter”; famous in San Francisco, where the dough for each new loaf is started from a piece of a previous loaf. This came from Krupit’s 10 years living outside San Francisco.

“Mike’s example of sourdough bread was perfect because the metaphor gave everyone in that audience a chance to look at what happened as a new start,” comments Marilyn Nyman, who worked with Krupit during this period. “One of the most valuable things a CEO brings to the table — and absolutely must impart in all his messages — is hope for the future. Which is exactly what he did.”



Mike Krupit

At a company-wide meeting, Krupit told employees, “We have all had CDNOW, one of the best places to work ... and it is our job to take that CDNOW ‘starter’... everything that made CDNOW great... and bring it to our next environments, where we can recreate a ‘loaf of bread’ that’s just as good.”

“I was told it was one of the most successful speeches I ever made,” says Krupit. Why? “It was informal... I had no prepared notes. I was human... they saw the real Mike. It was factual, and yet couched in a way that allowed people to absorb it without getting angry.”

Krupit admits he had “lots of practice” in delivering tough news in his final years at CDNOW. But he didn’t face it alone.

“As CEO, I had to have some philosophy, some strategy for my communications. I brought in Marilyn (Nyman) to help me formalize such a strategy.”

The coaching sessions covered strategy... and much more, says Krupit. “It became clear to me that it wasn’t just about my employees, but about communication in

general. It evolved into a really comprehensive leadership education.”

Nyman adds, “Like all CEO’s, Mike faced a billion communications challenges. What was particularly challenging in Mike’s case was the merger of two disparate corporate cultures.” We looked for the language and the concepts that would help find common ground between an entrepreneurial, informal culture — CDNOW — and the established, very political culture at Bertelsmann.” And outside perspective was invaluable, adds Krupit. “My supervisors, my peers, and my direct reports couldn’t give me the level of objectivity a coach could.”

Krupit sees coaching as a time management asset. “I always challenge myself to do new things... and if you want to get good at something, if you want to reach new levels or pinnacles, you’ve got to seek some help. If you want to learn to play golf, you get a golf pro. If you want to learn to play baseball, you join a team and get a coach. You don’t just read the book or learn by example.”

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Message From The Nyman Group

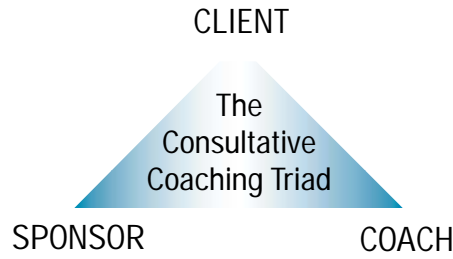
What Makes Coaching Work

Kevin, a sales director, is considered “high talent” and has been brought back to corporate as part of his leadership program. He is now responsible for a highly visible product launch requiring buy-in from many departments. Already a great communicator, his biggest challenge will be dealing with what he calls “home office bureaucracy.” The skills that got him here — taking risks, and making decisions on his own — won't help him now. He needs to master the art of influencing others while building relationships across the organization.

David is a CFO. He reports directly to the CEO, who counts on his wisdom and expertise. Among his boss and peers, he has an impeccable reputation for a quiet intellect and fine character. With his direct reports, however, he is often impatient, verbally abusive, and quick to anger. Turnover in his department is alarming. He manages most conflict by refusing to hear differences of opinion. One of his staff has gone to Human Resources and is threatening to sue.

Both of these individuals are receiving coaching — but for very different reasons. One is a rising star whose program is focused on “peak performance.” The other is an accomplished executive with a blind spot.

Coaching is for talented people at any level of the organization. It involves an outside person who knows your organization, understands your business and can provide you with brutally honest feedback. A good coach is a sounding board — a person who can step back and provide a sanity check when clients get too close to the issue. A good coach has strong intuition, effective communication skills and, most importantly, a



client's confidence. The biggest impact we make is with an organization where there is a strong sense of trust.

To maintain accountability, the model that works best is when we have a relationship with a senior executive/sponsor who gives us the autonomy to coach clients with confidentiality. We meet with the client, then see the client and sponsor together to set goals at the outset. We regularly meet with the sponsor for an update and then to strategize new goals.

Coaching is a fluid process. Our only agenda is the client's success. Whether it's communication strategy, change management, negotiations, “big tent events” or day-to-day interpersonal skills, we help our clients succeed. How? We use a range of tools including videotaped feedback, face-to-face interviews, assessments, script writing, audience analysis, specialist referrals... whatever works best to maximize strengths, minimize weaknesses and uncover blind spots for our clients.

Is coaching a luxury? Absolutely not. It's fundamental to business success when your greatest asset is people. A good coach will enhance personal performance, pre-empt potential problems and help companies keep talented individuals.

The trick is in finding the right coach.

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How Should You Choose a Coach?

Look at the size of the coaching organization.

If you have under 300 people, you can pick a solo practitioner. Once you move beyond that, you need an organization of coaches that has bench strength. You need a fair number of resources, even if you have to go to 2 to 3 boutique firms. You need an organization that isn't dependent on a single person.

Look for experience.

Plenty of people are calling themselves a coach and hanging out a shingle. Just having business experience is not enough and just having a background in psychology or communications is not enough. There needs to be a unique combination of business savvy and a background in counseling, communication, psychology, negotiation or mediation.

Look for diversity of coaching types and their specialization.

You may want to select or replace coaches for the best chemistry in age, diversity, gender or experience.

Look for personal chemistry and brutal honesty.

You want a coach who is willing to have a debate with you about a strategy; someone who is willing to tell you news you might not want to hear, someone who would say to you, “you're wrong and here's why” or “that's great and here's why”.

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Meet The Team... Jackie Reeves



With 24 years of professional training, coaching, and consulting experience and thousands of clients, why does Jackie Reeves continue to

garner rave reviews? Because her philosophy demands that in order to instruct, you first must learn. From every client. Every time.

"You need good observation skills," comments Reeves, "an intuitive nature, genuine concern, and the ability to tap into the hearts and minds of the audience before you even begin to instruct. I try to find out what's working for them — what they *need* to work for them — and then apply all of the concepts and theories to their real world."

Ms. Reeves is also a noted motivational speaker at conferences, seminars, and meetings. Jackie has designed and implemented workshops in presentation skills, professional presence, team building, giving/receiving feedback, diversity/sensitivity awareness, managing conflict, performance consulting and others.

She conducts programs with flexibility and an understanding of learning diversity. "The content has to be conveyed to an audience of varied skills, abilities, and learning styles. It's like holding a one-on-one coaching session with each person. You want participants to feel as if you are focusing solely on them; their concerns and their challenges. And the end result (return on investment) is increased professional and personal fulfillment that impacts their organization's bottom line."

Jackie has a Master's Degree in language from the University of Arkansas and holds a designation as a Professional in Human Resources (PHR) from the Society for Human Resource Management.

Upcoming Workshops

POWER PRESENTATION SKILLS 1-DAY

March 13 9 AM – 4 PM
Patrick Mulcahy

ENERGIZE YOUR SALES MEETINGS

March 15, 2002
AM/PM Modules- Take one or both
9 AM- Noon 1 PM- 4 PM
Leslie Adams

ADVANCED POWER PRESENTATIONS 1-DAY

March 20 9 AM – 4 PM
Jackie Reeves

INTEREST-BASED NEGOTIATIONS 1-DAY

March 22 9 AM-4PM
John Good

VOICE POWER 1/2-DAY

March 25
9 AM-Noon 1 PM-4 PM
Lisa Hatcher

COACHING & COUNSELING FOR IMPROVED PERFORMANCE 1-DAY

March 27 9 AM-4 PM
Jackie Reeves

**For information about
these programs or any of our
other services call 215.956.0300
or e-mail dkline@nymangroup.com**

Quips & Quotes

On tough times...

“You may not realize it when it happens, but a kick in the teeth may be the best thing in the world for you. All the adversity I've had in my life, all my troubles and obstacles, have strengthened me.”

—Walt Disney (1901-1966)

“Adversity has the effect of eliciting talents which, in prosperous circumstances, would have lain dormant.”

—Horace 65 - 8 BC

“Anyone can hold the helm when the sea is calm.”

—Publius Syrus, first century BC

“Life is change. Growth is optional. Choose wisely.”

—Karen Kaiser Clark, Educator

“‘Who moved my Cheese?’ he hollered.”

—*Who Moved My Cheese?*
by Spencer Johnson, M.D.

9-11 redefines adversity:

“If you're like me and you're watching and you're confused and depressed and irritated and angry and full of grief and you don't know how to behave and you're not sure what to do because we've never been through this before, all you had to do at any moment was watch the mayor. Watch how this guy behaved. Watch how this guy conducted himself... Rudolph Giuliani is the personification of courage.”

—David Letterman

The Buzz On Biz Books

By Roxanne Coady,
President, R.J. Julia Booksellers

Good to Great: Why Some Companies Make the Leap... and Others Don't

By Jim Collins

Jim Collins is the author of one of the books that I consider a business classic: Built to Last. The one criticism of Built to Last was it dealt with the companies that started out great, so it was hard to understand what you would do if you were just... good. What I find most appealing about this new book, Good to Great, is that it addresses most companies where they sit... not doing bad; just not getting to that 'great' category.

Studying 28 companies over 5 years, Collins and his research team present an interesting game plan. According to Collins, what gets you to 'great' is not the charismatic leader, and not the high-flying wild idea; it's the step-by-step approach of focusing on all the details of what you do. In this Enron era, Good to Great and Collins' philosophy feels almost biblical; you get to great not by being fast and loose and sexy, but by paying attention.

While Good to Great would certainly be useful to large corporate readers, I found it just as useful as a small business owner. It's for CEO's who want to think about where their companies are, but also helpful to middle managers who want to accelerate their careers by taking their departments from 'good' to 'great'.

dot.bomb: My Days and Nights at an Internet Goliath

by David Kuo

Subtitled *Optimism to Lunacy to Panic to Crash; I Survived to Tell the Tale*, this is the true story about a company that could only have existed in this moment in time: Value America. Dot.bomb reads like fiction complete with, as *Business Week* reviewed it, "a passel of characters worthy of a Tom Wolfe novel." Just sample the excerpt from its opening page:

"The twin-engine puddle jumper circled once around the single-strip air field, turned its nose down, and dove for the ground below. In seat 3A, Craig Winn gazed out the window at the rich green carpet of maple trees undulating into the distance of the Shenandoah Valley. Seconds later the familiar thump, thump of landing gear meeting runway welcomed the little plane's passengers to Charlottesville, Virginia. It was Independence Day, 1996. Craig Winn was arriving at not only his new home but also the new home of his newborn Internet retailer, Value America."

It is very funny, fast-paced and engaging. Dot-coms may just make you smile again.

Roxanne Coady, CPA, former National Tax Director of BDO Seidman, is president of R.J. Julia Booksellers in Madison, CT.



The Leading Word is published quarterly by The Nyman Group, one of the top full-service training, coaching and consulting firms in the Philadelphia region. Its President and Founder, Marilyn S. Nyman, M.Ed., CCC, creator of the Nyman Method, is a Certified Speech Pathologist with 20 years experience as a communication skills specialist, executive speech coach and consultant. For more information on any topics discussed in The Leading Word or on any of The Nyman Group's services and products, please contact

The Nyman Group
200 Lakeside Drive, Suite 264
Horsham, PA 19044
215.956.0300
dkline@nymangroup.com

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Framing The Phoenix

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Krupit's own "sourdough starter"? Upon reflection and reviews he has learned:

1. The need to have some strategy to handle your communications, especially multiple channels.
2. Messages aren't sent instantaneously-- what you need to communicate has to be done over time.
3. Your actions, your behavior, your written communication, your casual communication, your formal communication, need to work together to send the message.
4. It matters to people whether the CEO smiles when he's walking down the hall because the days I didn't smile, rumors started.

Mike Krupit is actively pursuing new leadership challenges. He can be reached at mkrupit@yahoo.com.