

Inc

The Upside (of Downtime)

Looking to become a better CEO? Try not taking care of business for a while.

BY ILAN MOCHARI



STEERING COMMITTEE: Kate Ludeman takes an uncharacteristic backseat.

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Hans Fenstermacher wasn't used to taking orders. Yet during an August 1999 rehearsal of the musical *The Music Man*, the amateur actor and founder and president of ArchiText Inc., an 18-employee translation-services company in Methuen, Mass., found himself being dressed down by his director in front of the entire 75-member troupe. "There was a small movement I was doing during the scene," Fenstermacher recalls. "In a very public way the director indicated how stupid he thought the gesture was." Fenstermacher tried to defend his effort, but the director "didn't want to hear it."

Several rehearsals later the director reversed himself. Though Fenstermacher didn't receive an apology, he felt quietly satisfied. "It was a nice vindication," he says. Plus, "it makes you think of how you come across to others when you're trying to be authoritative."

Last year that lesson suddenly resonated with Fenstermacher when his company, which also sells software to help clients market their products overseas, was pitching its services to a Fortune 500 prospect. His vice-president of sales and marketing, Ron Butler, had practically closed the deal, but there was just one catch: the prospect demanded a free sample of ArchiText's work. Fenstermacher refused. How could he be expected to simply give away something that took hundreds of hours to create? Would anyone dare to request such free labor from, say, a lawyer? "I was adamant," he recalls.

Butler assured Fenstermacher that the free sample could close the deal and lead to significant amounts of new work. But Fenstermacher refused to back down. He was, however, careful to acknowledge Butler's viewpoint and encouraged him to keep courting the prospect. His experience in *The Music Man* reminded him that "humility and learning to temper your feelings a bit" are wise things to do during a disagreement.

Weeks later Butler made his case again. He explained that the free sample was not so much a giveaway as it was an item on the prospect's checklist—a simple prerequisite to further negotiations. Recalling how vindicated he'd felt when his director had backed down, Fenstermacher relented. "I realized that it wouldn't cause the reputation of the company to fall and that it wasn't as though they [the prospect] would go around telling all their friends," he says.

Today that prospect is one of ArchiText's biggest customers. Butler credits his boss for being "strong, yet willing to listen to other people's opinions." Additionally, Butler is now unafraid to challenge Fenstermacher's occasional stubbornness. And unlike his *Music Man*

director, Fenstermacher made it a point to "chalk one up" to Butler's abilities and apologize for his initial resistance. "It's important to do that," Fenstermacher says. "It makes people feel that they are capable of making good decisions without being told what to do."

Though it's difficult to say whether Fenstermacher would have handled the situation differently had he not been embarrassed during that fateful rehearsal, he believes his acting hobby has made him a better CEO—by providing stress relief, certainly, but more so by giving him a setting where, for once, he's not the one making all the big decisions. He savors the mental freedom of "letting yourself be led" one way or another by a director; it's a relaxing contrast to his daytime duties of leading and motivating others. What's more, it gets him out of the office at a decent hour and puts him in creative surroundings.

Having a consistently enjoyable out-of-office activity can enhance any executive's performance, says Kate Ludeman, an executive coach who is based in Santa Barbara, Calif. "I've often coached executives on the value of activities outside of work, not just to help them create a balanced life but also to help them unlock from their habitual ways of thinking and to learn something new," she says.

Trying new extracurricular activities is particularly important in today's business climate, Ludeman says. Executives expect their employees to learn new skills, yet they themselves are often not as open to change as they need to be. "Usually, they aren't good at empathizing with other people who are struggling to learn something new, because it's been so long since they stepped into a true beginner's mind-set," she says.

Ludeman digested some of those lessons firsthand as CEO of Worth Ethic Corp., her 14-year-old executive-coaching business that has four employees and revenues of \$1.8 million (Worth Ethic was #476 on the 1998 Inc 500 list.) For years she struggled with some of the same problems she'd coached other CEOs to deal with: delegation and the fear of losing control. But about two years ago, she and her husband began riding a tandem bike—he in the front seat, she in the back. The experience of being a backseat rider helped Ludeman understand the feeling of entrusting the reins to another person. "You have no control over the steering and the braking," she says. "You're there as nothing but muscle. You can't see very well because you have a big body in front of you."

Through riding tandem, she says, she's "learned to trust people at a completely different level." She now knows the difference between executive coach and

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executive nag. Having once monitored her clients "obsessively," calling them weekly just to see "how things were going," Ludeman today checks in only monthly. The change, she says, was evolutionary; her comfort in easing up on client communication paralleled her increased trust as a backseat biker.

Aside from biking, Ludeman maintains balance in her life by getting a Shiatsu treatment once a week, practicing Pilates twice a week, and meditating daily before work. The frequent escapes, she says, are important because they give her "a real grounding. You're immediately in the present tense of whatever you're doing, whereas so much of executive work is looking at future-time consequences."

Another CEO who's made an art of the regular escape, albeit in an entirely different way, is Paula Phelan, owner of Nadel Phelan, a \$6-million, 20-employee marketing and public-relations firm in Scotts Valley, Calif. Instead of leaving her office for recreation, Phelan brings her avocation—taking photographs—with her when she travels for business.

Recently, as Phelan left a meeting with analysts at IDC, a high-tech-research firm in Framingham, Mass., she noticed some Echinacea flowers outside the building. She took out her digital camera, snapped several shots, and sent the best ones as a thank-you note to the

analysts she'd just met with.

"The photos really left a lasting impression," says IDC senior research analyst Chris Chute. "They made us feel appreciated."

The spontaneous shooting allows Phelan to "have a little bit of joy in every day" she says. The photos have improved her business relationships as well. She uses them as everything from marketing tools to follow-up materials to rapport builders. Phelan likens her photos to "a big business card" that helps differentiate her brand. It helps, of course, that the photographs are "artistic, not just run-of-the-mill," says IDC's Chute.

This past spring Phelan's hobby took a surprising turn. Phelan's colleagues and business acquaintances had often asked whether her work was shown in galleries. Encouraged by such queries, she approached galleries in New York City, San Francisco, Seattle, and Amherst, Mass. All agreed to display her photographs. Her first exhibit, in April at New York's Jadite Galleries, was called "The Magnificence of Flowers." Chute and Phelan's other clients were among the first to receive invitations.

Contact info@worthethic.com or refer to www.worthethic.com for more information.

WHAT'S IN IT FOR ME?

Sure, taking time off from work is fun, but according to executive coach Kate Ludeman, the benefits a CEO can actually get from leisure activities are equally rewarding. They include:

Finding yourself. "Most CEOs have a lot of roles to play. They put on certain faces for this or that group in order to get someone to do something," explains Ludeman. "In most out-of-the-office activities, though, you get to be yourself. There's a level of freedom of expression and emotional relief that comes from that."

Relieving stress. Sometimes the only way to escape office worries is to escape from the office. It's a lot easier to ignore the call of duty if you're in the middle of, say, a painting class.

Enhancing your creativity. The most creative thoughts often come when you're occupied with something else. "You move away from your to-do list and toward a much more open space where intuition operates," says Ludeman.

Starting fresh. You expect your employees to turn on a dime and quickly learn new skills. Now you can learn how it feels to expand your own horizons by becoming a beginner once again.

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Kate Ludeman, PhD, is CEO and founder of Worth Ethic Corporation and author of *The Corporate Mystic* and four other books. She has been a featured speaker at the Fortune Magazine Summit of the Best and Most Admired Companies and has coached more than 1,000 CEOs and senior executives on every continent.



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