

# Power:

## How it's Changing

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Sure, money and muscles still count in many circles. But that's not what you'll hear about from the 10 business leaders you'll meet on the following eight pages. Instead, power today has much more to do with power over yourself than others.

But one thing hasn't changed: Power is still all about getting things done. And nothing is more powerful than one passionate person acting to fulfill a dream.

As Goethe said more than 150 years ago,



Dream **no small dreams** for they have no power to move the hearts of men.”



“ I believe that power is the power to do what you want.”

- ANNA QUINDLEN (SMART WRITER)

We asked a collection of thoughtful achievers from the Bay Area to Boston to complete this sentence:

# Power Is...

## ...The right partnerships

**Sarah Kugelman**, CEO and founder of skin-care company **skyn ICELAND**, has always had a creative streak. She sold jewelry in high school, peddled T-shirts in college and concocted a dessert-baking business following business school. Then she went on to found gloss.com, which was acquired by Estée Lauder in 2000.

She stresses the importance of key partners. “I equate power with influence,” she says. “One of the biggest components is strategic partnerships. An alliance opens up doors and helps grow a business. We have aligned with partners that help drive brand awareness and give us credibility.”

A veteran of the beauty industry, Kugelman has witnessed the shifts for working women firsthand. “I’ve seen a huge change in the way women do business,” she says. “In the ’80s, it was all about big shoulder pads and looking strong in a man’s world. Now it’s about showing your femininity and showing you can be strong, sexy and successful.”

—Jennifer Soong



## 5 Power Chargers

**1. Be true to yourself, even (especially) if you're a little weird.** High school is the last time conformity and power share a seat at the same table. Power comes from knowing what sets you apart from the crowd — and why the rest of the world should care. Which brings us to...

**2. Know how to express yourself.** If you want your ideas heard, you have to know how to command the right kind of attention. Witty (Jon Stewart) is powerful; constant quipping (name any sitcom actor) isn't. Don't qualify your opinions ("I may be the only person who thinks this, but..."). And never, ever ramble. Indeed...

**3. Less is usually more.** Great cooks and entertainers know to leave audiences wanting more. They aren't the only ones. Abraham Lincoln got it right. One of the most powerful speeches in history — the Gettysburg Address — was less than 300 words and lasted only two minutes.

**4. Except when it isn't.** Sometimes over-the-top works. This goes back to the know-thyself thing. Some people really are larger than life. Everything they do, say, wear, write or think is in bold letters. But there is nothing more exhausting than a larger-than-life wannabe. In any case...

**5. Force isn't power.** Unless you're a drill sergeant, a prison warden (or a parent), it's pretty hard to force anyone to do your bidding. Instead, people yearn to connect with purpose and passion or something bigger than themselves. Think inspiration. It's the new power.



"Tell them to go to hell, but in a nice way."

## ...Happy customers (who talk)

Even when garbed in a bold Hawaiian shirt, **Marc Benioff** knows how to command attention. The chairman and CEO of **Salesforce.com** has aggressively championed "the end of software" and won an SDForum Visionary Award for his leadership in technology and community development. The co-author of *Compassionate Capitalism*, Benioff pioneered an innovative solution to return 1 percent of profits, equity and employee hours back to the community.

The Silicon Valley trailblazer credits his success to a simple revelation. "Over the past seven years, we've discovered that there is no power like the influence of successful customers," says Benioff. "No PowerPoint, no ad, no 'killer closer' can outsell a customer who is happy with your product. Tune your business to this central truth, and you'll have a powerful sales team that wows your prospects and flummoxes your competitors." —J.S.





## ...One small voice (reaching millions)

“I think power is a byproduct,” states **David Sifry**, CEO and founder of **Technorati**, a search engine for the blog universe. “It’s not something that you can actually store – or successfully covet. If that is the intent, it’s exactly the wrong way to accomplish anything.”

Sifry, lifelong entrepreneur and co-founder of three successful technology startups, would know. Technorati currently tracks 26.2 million sites and 1.9 billion links, allowing millions of people to publish ideas, and millions more to comment on them. “A good friend of mine, Doc Searls, once said to me, ‘Revolutions happen when demand is given the power to supply itself.’ Blogging is the process of allowing

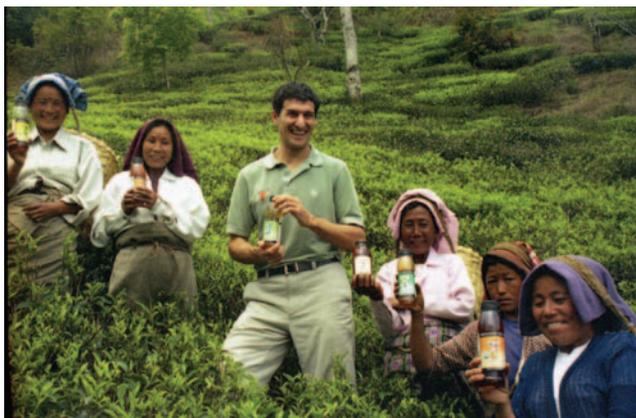
demand, or the thing we used to call a ‘consumer,’ to become a producer as well. It fundamentally shifts the balance of power, and frees up an enormous amount of potential energy.”

Sifry points to the 2004 presidential campaigns as an example. “What’s interesting to think about is the psychology of an empowered individual as opposed to the psychology of someone who feels helpless and powerless. Previously, we’d watch the debates or conventions, and yell at the screen. But with blogging, people could now take that same sense of anger, outrage or approval, and spin it into a positive force that could reach a million people as easily as it could reach a hundred.” —*Gilda Raczkowski*



**Passion is energy. Feel the power that comes from focusing on what excites you.”**

– OPRAH WINFREY (MEGA-MEDIA MAVEN)



ingredients. “Our ability to make change happen successfully is dependent on building customers,” he says.

“I look at power as someone’s ability to inspire confidence and trust,” says Goldman, contrasting the approaches of large corporations and customer-driven companies. “The power to change people’s opinions is to inspire confidence. What creates trust and confidence is authenticity and credibility.”

“There has to be a genuine commitment early on,” he says. “You may say you care about the environment, but if you don’t do anything, you don’t really care. With Honest Tea, we made ourselves accountable. We made a commitment from the very first bottle.” —*J.S.*



“When are you going to give up this 9 to 5 nonsense and become a rock star like your brother?”

## ...Authenticity

**Seth Goldman**, **Honest Tea’s** head honcho, or “TeaEO,” wants to address social and environmental issues and has made sustainability a top priority by pushing for fair trade and organic



# Is Power More TRUMP or GUMP?

Psychologist Sylvia Lafair has counseled leaders for 30 years.  
What really works may surprise you.

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High above Manhattan, the four survivors on *The Apprentice* are listening as the whirl of Donald Trump's helicopter blends with his enticing voice. His message: This too could be yours. Only one will win and be initiated into his version of the good life, which includes power, prestige and unlimited wealth. The rest, well, they'll be fired.

This basic survival of the fittest model playing out in office settings around the world indicates that career success and power are still defined through possessions and status and that if there are winners there must be losers.

Remember Forrest Gump? Fictional folk hero of the early '90s with his Zen-like quality of following the forces of synchronicity. His message: Power and success are available to all of us if we trust the intelligence of our whole self, not relying only on our rational mind but understanding that relatedness is a key organizing principle of life.

Leaders have  
the power  
to create  
environments  
of safety and  
openness.

Mike, a vice president of sales in a large apparel company, had a lot to learn from Forrest Gump. He grew up in the Donald Trump world of winners and losers. He had climbed the ladder of success by stepping on others' toes and fingers on his rise to power.

His prestigious national accounts team complained to human resources that he was playing favorites and would not talk to them about their concerns. Led by Roberta, a strong-willed and talented individual, they requested a meeting to discuss the issues.

The day of the off-site was as gray as Mike's mood. He immediately claimed his positional power and told the group that while he would certainly listen to them, they needed to remember he was the one in charge. At the end of the meeting if they did not like his leadership, they could "vote with their feet." There were, he reminded them, lots of people hungry for these important jobs.

The day was a waste. No one except Roberta spoke up. Even she backpedaled, and comments were superficial and filled with platitudes. Mike went to dinner alone. He had had enough with employees he felt were spoiled and ungrateful. As fate would have it, Mike was seated next to three angry, noisy business people complaining about their defensive and stubborn boss. "If only he would be real, maybe we could work together," was their plaintive cry.

Mike walked back to his hotel room thinking about this other boss who had to put up with similar annoyances and soon began to wonder about his own defensiveness. Fate had more in store. Mike had a dream he was 9 years old and was in trouble for not asking permission to play at a friend's house after school. He woke with his body tense and a terrible headache. He felt the anger rise as he remembered how his mother ranted and raved even after he apologized several times.

Suddenly it all made sense. The forces of synchronicity had connected. He saw where his defensiveness had started. He sighed as he put together the puzzle pieces and realized that his anger with Roberta felt the same as his anger with his mother. Strong, determined and judging women were his Achilles' heel. He now had the real power to handle the off-site.

He was a calmer and more authentic Mike as he began the meeting. He told his team about the dinner and how he was able to observe his own defensiveness. He apologized to Roberta for the

*Continued on page 41*



OLD POWER:  
**Overbuilding**

NEW POWER:  
**Green building**  
(see page 63)

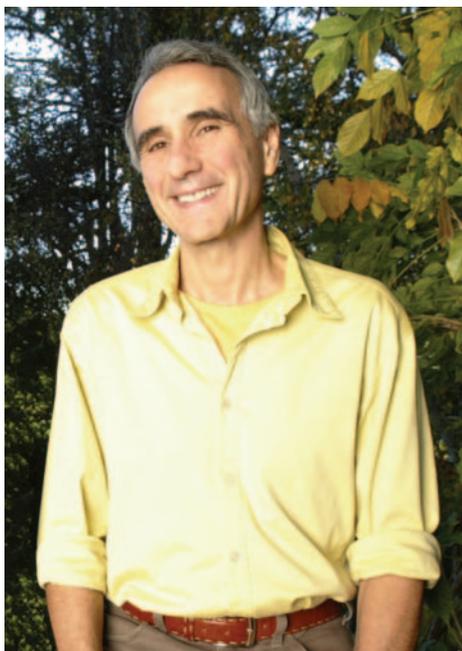
# ...Making something happen

**Julius Walls Jr.**, CEO of the **Greyston Bakery**, may be surrounded by temptations like fresh-baked scones and gourmet chocolate cakes, but he keeps his head focused on the bigger picture. The Yonkers, N.Y.-based social enterprise trains the chronically unemployed, and its profits contribute to community development through the Greyston Foundation.

“I define power as the ability to make something happen,” says Walls. “This can be done by the direct expenditure of resources, such as money, or the influencing of other resources, such as people.”

Born in Brooklyn’s Bedford-Stuyvesant, Walls originally planned to join the priesthood at the Catholic College seminary before transferring to Baruch College to study business. He worked for a chocolate business and started Sweet Roots, which sold chocolate bars to schools and fundraising groups.

Walls’ leadership style is based on principles of inclusion and collaboration. He cites an ancient Chinese proverb, “A leader is one who can lead people in such a way that when they are done, they think they did it themselves.” He adds: “Understand what you can do yourself and what you can accomplish if you can lead.” —J.S.



“The power to question is the basis of all human progress.”

—INDIRA GANDHI (WORLD CHANGER)

## ...Listening - and adapting

“You have to go with the flow, but it doesn’t hurt to row.” That is the essence of power for **Mel Ziegler**, lifelong entrepreneur and co-founder of **Banana Republic** and **The Republic of Tea**. For Ziegler, power is the ability to influence events and, ultimately, the outcome. “I generally think of the world as a chaotic place,” says Ziegler. “It’s ever-changing. In business, you can go in with an idea, but you have to be a superb listener. You can take what’s

out there, but you have to learn how to maneuver through it. Ultimately, power is achieving the ideal outcome in the midst of all this chaos while all the time moving through it.” —G.R.



WALLS: JOAN JENNINGS

# Is Power More Trump or Gump? *(continued)*



intensity of his reactions to her. He wanted to really hear what they had to say and wanted to find better ways of communicating. And then an interesting thing happened. The courage he exhibited by telling the truth sparked the group to realness and honesty.

They talked about the “you’re fired” mind-set as one born out of old patterns when there was no possibility of discussion. They agreed to monthly meetings to explore the differences between positional and personal power. They wanted to understand how they could take what they learned to their own direct reports. They felt energized by the meeting and optimistic about working together.

By the end of the year Mike’s team had produced remarkable results. Other areas — marketing, finance, purchasing — came to ask what they were doing differently.

It was clear that leaders have the power to create environments of safety and openness. It was also clear that it starts with a willingness to observe one’s own behavior. When there is an opportunity for teams to explore their interconnectedness and discover their inner knowing and inner resources, there can be remarkable bottom-line results. Teams that are truly empowered have fewer sick days and avoid the litigation trap so prevalent in workplaces where people feel they have no internal power.

The trend to collaborative and conscious workplaces is slowly beginning to take hold. Richard Harris, president of Spa Sydel in Atlanta, has used the philosophy of connectedness to create a company where employees grow and prosper, and clients are nurtured and appreciated. “Ours is a family-owned business and what I have learned is that the essence of the company starts with the values of the core group. My parents, my sister Karen and I have worked hard to make sure our relationships are solid. Together we have searched for the values we want as the foundation on which the whole company can stand.”

Debra Neill, CEO of The Neill Corp., the largest distributor of Aveda products in the United States and based just outside New Orleans, is sure that being authentic is good business. “We cried and laughed together during those awful weeks post-Katrina. Telling the truth and being open is important modeling for the employees who want to live up to the standards set by the company. We came through that time a closer and more capable company. We all know that we are all better able to handle difficulties and give and get support. What great things to learn in our work environment.”

Dr. Eslye Dennis, head of consumer education at Novartis Pharmaceuticals, based in Hanover, N.J., has seen amazing results as her team agreed to put time aside to know each other as human beings, not just “human doings.” They have set up a system where they combine strategic and creative planning and get more done more quickly than ever before. She encourages all teams to find their own model of collaboration. “We always come up with more vital ideas and solutions than any one of us could have developed alone.”

So it seems Forrest Gump is pointing us in the right direction. What really makes life matter — sharing, caring, doing right for others — infuses us with power that outlasts titles or corner offices and keeps a light shining on our good work, often well beyond our own lives. 

*Sylvia Lafair, Ph.D., is co-founder and president of Creative Energy Options Inc. She holds a doctorate in clinical psychology, has taught at Hahnemann University, and is an executive coach and leadership educator. She has worked for more than 30 years with all levels of management, from leading business owners and corporate officers to mid-level managers and high-potential leaders.*



*“And here’s the office floor plan. The numbers indicate the recommended sequence in which to step on people on your way to the top.”*

# ...Taking a stand

If power were measured in T-shirts, flip-flops and laughs, the folks at **Life is Good** would win, no contest. **Bert and John Jacobs**, the fraternal founders of the New England-based sporting goods company, put a premium on positive energy, and their contagious spirit breeds company loyalty and low turnover.

“Power in business is the same as power outside of business,” says Bert Jacobs, who dubbed himself Chief Executive Optimist. “It comes from respect and upholding old-fashioned values – trying as hard as you can, taking a firm stance in difficult situations and being honorable.”

Creative head John Jacobs agrees with his older brother and adds: “Stand for something. Instead of chasing competitors and trends, define your values and build up from there.”

“Some people have bigger appetites than others,” says Bert, “but if you uphold those simple values, you are sure to gain power through respect.” —J.S.



“Dammit, Johnson! Delegate!”

OLD POWER:  
12-hour days  
NEW POWER:  
Attending school  
plays

## Sustaining Power

by Paul Hawken

I think the best definition of power comes from philosopher and writer Jay Ogilvy, who defines it as “the ability to implement reasoned intention.” This is a more feminine definition, one that does not invoke the idea of clout, authority or dominance as a means to create change. Rather, it suggests that power is the ability to elicit results, requiring the ability to listen, adapt and serve.

Any act that stems from fear is not a powerful act. And similarly, in business, any act that creates fear, coercion or attempts to amass resources for oneself at the expense of others is not a powerful act.

The concept of quality circles pioneered by Edward Deming transformed Japanese manufacturing, and yet the source of this idea was Deming’s observation of women working in a wartime munitions factory. In segregated production lines, the women produced more than the experienced men, and their work had fewer defects. The mystery as to how the women did it was elegantly given to Deming during the breaks: Women sat down in a circle and talked and listened. The men were accustomed to a command and control structure, hierarchies that prevented information from being freely acted upon down the line. Deming’s techniques (really women’s techniques) are now gospel. The collaborative qualities women brought to their jobs changed all of industry. A very powerful idea but where was the power? It didn’t exist and can’t be found.

The most salient question a business person can ask is this: “Is my product or service, including the way I make or create it, helpful?” Is it helpful to the customer, to the people who produce it, to the community, and to the earth and resource systems? Given where the world is today, much of what business does is not helpful. Sugary foods backed up by powerful advertisements are not helpful to a country where diabetes is at epidemic proportions. The last decade of U.S. car production, an arms race where horsepower and weight trumped economy and common sense, was especially unhelpful, and not surprisingly the U.S. car industry is reeling.

The business community has been slow to recognize its responsibilities with respect to justice and the environment, particularly with respect to climate change. It funded and still funds disinformation and fear mongering as a way to avoid responsibility. But in fact, what the world is calling for is not

**What the world is calling for is not blame, but collaboration, not villains but participation. It is calling upon business to use its power as a means to re-imagine our relationship to each other and the earth.**





**Nearly all men can stand adversity, but if you want to test a man's character, give him power."**

– ABRAHAM LINCOLN (U.S. PRESIDENT NO. 16)

blame, but collaboration, not villains but participation. It is calling upon business to use its power as a means to re-imagine our relationship to each other and the earth.

What will be seen as powerful 10, 50 or 100 years hence? I suspect it will be those people who had a better idea of how to sustain humanity and life and are able to communicate that to others. Two hundred years ago, three-fourths of the world was enslaved in one form or another. A small group of people began meeting to abolish slavery. They were reviled and dismissed by businessmen. Their ideas would bring down the English economy, eliminate growth and jobs, were too expensive and would lower the standard of living. And to top it off, it was being promoted by a small group of self-appointed troublemakers and extremists who had no expertise in trade. If you read the arguments against slavery that were proffered in the House of Parliament back then, they are almost exactly the same as the arguments we hear today about why we can't move our economy away from coal and oil to renewable energy. Today, we honor those whose moral courage helped abolish slavery, but none of the wealthy businessmen who benefited from slavery is held in esteem.

Apple advertisements say, "Think different." Who are they talking about? People like Gandhi, Rosa Parks and Muhammad Ali. These are compassionate people who deeply cared for others. I ask myself when will the Rosa Parks of the business world step up and take a seat at the front of the bus. It would take an amazing person to do that. But amazing is a quality of heart, not intellect. Essentially, that person would need to say that we have marched too long in lockstep with economic policies and assumptions that are harmful to people and the earth, that it's time we spoke truthfully about what we do, about what happens to us as people when we engage in unhelpful acts, about the enormous polarization of wealth, about how we treat our children, about how globalization has become a race to the bottom enforced by rules that very few people agreed to. We'll remember that person. 

*Paul Hawken, whose best-selling books include Growing a Business and The Ecology of Commerce, has founded several companies. He presently heads the Pax Group, a fluid dynamics engineering firm whose products save substantial energy in industrial systems, and is finishing his latest book, entitled Blessed Unrest, to be published by Viking in 2007.*



## ...Radiating internal confidence

Change strikes fear in the hearts of some individuals, but the opposite is true for Belgium-born **Ariane de Bonvoisin**. Embracing change with open arms, she made the mission of her company, **First 30 Days**, to help people through life transitions.

"Power moves more through those who serve and contribute," says de Bonvoisin. "Inner power is much more than a name, a job or any definition. When people know they are strong, capable and can handle anything, power is the confidence that radiates from them."

"Communication is one of the roots of power," she adds, citing cell phones, blogs and podcasts as powerful tools to "give people a voice and speak what's important."

Listen to intuition and trust your gut. "I've gotten into trouble in business when I trusted intellect much more than my own gut," says de Bonvoisin. "I believe success happens when you consider more than yourself, your dreams, your ego — when you find a way to genuinely include other people. We're all change agents." —J.S.