

## WHAT I BELIEVE IN Robert (Bob) A. McDonald

Throughout my education, military, business, and government careers; there are a few principles in which I believe deeply that drive my behavior each day.

*BOOK REFERENCE: [Leader's Compass](#) by Dennis Haley and Ed Ruggero  
[The Leadership Engine](#) by Noel Tichy*

1. **Living a life driven by purpose is more meaningful and rewarding than meandering through life without direction.** My life's purpose is to improve lives. This operates on many levels. I worked to improve the lives of the 7.5 billion people in the world with Procter & Gamble brands, I worked to serve 22 million Veterans when I was Secretary of the Department of Veterans Affairs (VA), and I work every day to have a positive impact in the life of just one person. This life-goal led me to be a Boy Scout when I was young, to attend West Point and become an officer in the U.S. Army, to join The Procter & Gamble Company, and to serve as Secretary of the VA. People like to work for leaders who operate with a clear and consistent purpose. The leader's job is to understand and enable the purpose and dreams of their employees. In this sense the task of the leader becomes a calling, a profession; not a job.  
*BOOK REFERENCE: [Man's Search for Meaning](#) by Viktor Frankl*
  
2. **Companies must do well to do good and must do good to do well.** Approximately 40% of world trade is done by multinational companies. Companies like P&G have annual sales that are larger than the Gross Domestic Product of more than two-thirds of the countries in the world, including countries like Croatia, Panama and Luxembourg. This gives business the responsibility and opportunity to do more. This idea is at the heart of a concept I like called "Social Response Capitalism." This is from a book by Bruce Piasecki called The Surprising Solution: Creating Possibility in a Swift and Severe World. What I like about this concept is that it doesn't draw a distinction between a Company's profit motives and its social responsibility. This congruence – properly leveraged – can be an enormous source of inspiration that leads to better products... business growth... and social good. This is important because with social media and the internet there is nowhere to hide. When a consumer buys a brand, they want to know the company behind that brand and whether that company cares for the world and its people.  
  
That's why at P&G we work to make our Purpose of "touching and improving lives" pervasive in all we do. The more pervasive we make it, the more successful we will be. We make it pervasive in our brands, like when Always works to teach about menstruation to keep young girls in school in Kenya, or Pampers works with UNICEF to vaccinate mothers against neo-natal tetanus. We also make it pervasive in our philanthropy as we use our Children's Safe Drinking Water program to save "one life every hour." And we make it pervasive by offering opportunities for our employees to be involved in community service. The point is that you can't say you are about making life better for people only in one area of your business. It has to be meaningfully integrated into all aspects of your business and operations. Purpose is inspirational. As Secretary of the VA we led with purpose at the center of everything we did. In the public sector purpose plays a more necessary role than in the private sector where a leader has a more flexible reward system to use to motivate employees.  
*BOOK REFERENCE: [The Surprising Solution](#) by Bruce Piasecki*
  
3. **Everyone wants to succeed, and success is contagious.** I have never in all my life, in any career, in any country, at any time, met a person who tries to fail. Everyone I have met wants to succeed. So the job of the leader is to help people succeed. A leader's job is to catch people succeeding, even if the success is a small one, and to use that small success to build a virtuous cycle of ever larger successes. Since success is contagious, one success will lead to another, and one successful person will influence another to be successful. Our job as leaders is to start the fire that fuels the virtuous cycle of success.  
*BOOK REFERENCE: [The Dream Manager](#) by Michael Kelly*
  
4. **Putting people in the right jobs is one of the most important jobs of the leader.** People like to do work that they are good at. Think about your education. What was your favorite class? What was your grade in that class? Chances are that the class you liked the most was also the one in which you received the best grade. That is not an accident. Human beings always gravitate to things they do well. So our job as leaders is to identify what our people do well, and then to put them into jobs that take advantage of that strength. I personally do not always believe in the concept of putting someone in a job to build an "opportunity for improvement." That may hurt the individual as they will be unhappy, and may hurt the organization as we underutilize the person's talent.  
*BOOK REFERENCE: [Good to Great](#) by Jim Collins*

5. **Character is the most important trait of a leader.** At West Point I learned that the character of a leader is their most important attribute. Character is defined as always putting the needs of the organization above your own. As a Captain in the Army, I always ate after the soldiers in my command. At P&G the leader should always take personal responsibility for results of their organization. At VA we took responsibility for our results. As a West Point plebe (freshman) I learned that I was only permitted four answers: yes, no, no excuse, and I do not understand. These four answers are about character; there is no opportunity for equivocation or excuse; there is no "but."

At West Point I also learned to "choose the harder right instead of the easier wrong." This powerful line comes from the West Point Cadet Prayer. Have you ever noticed how it is easier to do wrong things than right things? A leader who lives by his or her word can be counted on to do the unpopular thing when it is right. To always follow "the harder right," a leader must truly believe that a life directed by moral guidelines promises deeper and richer satisfaction than a self-serving, self-absorbed life. Living up to this ideal of character requires courage, determination, integrity, and self-discipline. You must live by your word and actions, and know that is the most powerful demonstration of leadership.

**BOOK REFERENCE:** [\*The West Point Way of Leadership\* by Col. Larry Donnithorne](#)  
[\*West Point Cadet Prayer Book\*](#)

6. **Diverse groups of people are more innovative than homogenous groups.** Diversity is a necessity to reflect those we serve and to drive innovation, one of P&G and VA core strengths. Innovation is the result of connections and collaboration. James Burke, science historian and author/producer of [\*Connections\*](#), documented that innovation often comes from connecting two seemingly disconnected ideas. A diverse group is better able to make these connections since they have a greater diversity of nodes to connect. The role of the leader is to create the environment for connections and collaboration to occur. Leaders of the most effective diverse teams follow the "Platinum Rule": treat others as *they* want to be treated. The leader should know the people he or she works with well enough to know how they want to be treated.

**BOOK REFERENCE:** [\*Connections\* by James Burke](#)

7. **Ineffective systems and cultures are bigger barriers to achievement than the talents of people.** In Total Quality training we all learned how difficult it was to pick up the right proportion of red and blue beads if the device we were using to pick them up was rigged to get a bad result. Similarly, Peter Senge teaches in his best-selling book [\*The Fifth Discipline\*](#) "structure influences behavior," and systems often result in unintended consequences – like rent controls in New York to help the poor who lived in sub-standard housing actually further reduced investment to upgrade the housing, hurting the people the rent controls were designed to help. The role of the leader is to improve the systems and the culture in which their organization operates to improve the consistency and level of success of the results. Any High Performance Organization must have four components: passionate leadership, sound strategies, robust systems, and a high performance culture. A leader needs to work on all four pillars.

**BOOK REFERENCE:** [\*The Fifth Discipline\* by Peter Senge and \*Out of the Crisis\* by Edwards Deming](#)

8. **There will be some people in the organization who will not make it on the journey.** Even after taking all of the steps above, there still will be some people in the leader's organization who will be either unwilling or unable to go on the journey of growth with the leader and the organization. It could be the Sales manager who thinks you took away his job by eliminating price/volume negotiation by getting rid of Temporary Price Reduction. Or it could be the individual who it is impossible to find the right job for. A clue to finding these individuals is to find who is not happy day-to-day. It is the leader's job to identify those who cannot go on the journey, help them recognize the tension, and help them identify other careers which offer greater promise.

9. **Organizations must renew themselves.** Any organization, as with any organism, which is growing must renew itself. Growth by definition requires change. Change requires renewal. Recruiting and training are top priorities. The standards of performance which are acceptable today will be unacceptable tomorrow if the organization is growing and improving. As such, the leader must provide training and development opportunities for the individuals in the organization to grow.

**BOOK REFERENCE:** [\*Leading Change\* by John Kotter and \*The 7 Habits of Highly Effective People\* by Stephen Covey](#)

10. **The true test of the leader is the performance of the organization when they are absent or after they depart.** The leader's job is to build sufficient organization capability, including the leadership and individual initiative of the members of the organization as well as the strategies/systems/culture of the organization, so that the leader's presence or absence would not significantly affect the business results. This means that the organization will be able to sustain itself successfully over time regardless of the quality of the leader. Each leader must ask, "Are we building a clock or simply telling time?"

**BOOK REFERENCE:** [\*Built to Last\* by Jim Collins](#)