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THE PRODUCER-PERFORMER DUALITY: How Producers Find Their Complement

The universe is a tension between novelty
and habit, and novelty is winning.

—TERENCE MCKENNA

John Paul DeJoria knows how to turn a good idea into a great business. The billionaire cofounder of John Paul Mitchell Systems and the Patrón Spirits Company grew up in Los Angeles, and worked first as a star salesman in the 1970s for Redken, and later in business development for Fermodyl and the Institute of Trichology. But his story at all three companies ended the same way—he got fired. At Trichology, he was reportedly let go because he was so successful at Inventive Execution, resulting in growing company sales, that his share of the profits made his take-home pay higher than the owner's.¹

By 1980, he had left his job to start John Paul Mitchell Systems with \$500,000 promised from an outside investor. That money never came in, leaving DeJoria unemployed, homeless, and living with his young son in his car on the streets of Los Angeles. Paul Mitchell wasn't much better off. Mitchell and DeJoria first met when the former was a high-performing hairstylist in London, earning accolades as the heir apparent to Vidal Sassoon. But times had changed. DeJoria and Mitchell had both fallen on hard times and they both needed a break, so they decided to make one together and start a business selling an innovative line of hair care products: a single-wash shampoo in an era when all

the high-end brands were lather, rinse, *repeat*, and a leave-in conditioner that doubled as a styling agent. John Paul Mitchell Systems produced high-quality, salon-grade products designed to save stylists time *and* money because they needed only half as much product to achieve the same, or better, results.

The pair started with no money and arguably with no risk—because they had nothing to lose, the Relative View of Risk showed only an upside. An early investor getting cold feet left Mitchell and DeJoria with just \$700 in start-up capital. Even with such meager beginnings, the two made a great team.

“He didn’t do business and I didn’t do hair,” DeJoria said of his late partner when we sat down with him at his home in Austin, Texas. “Didn’t have a clue about business. Paul was a great stylist. I was a businessman with a background in sales, marketing, and product development in the professional beauty industry.”

With that division of labor, Mitchell performed, doing product demonstrations in salons to show potential customers how the products worked and how much less of it he needed. DeJoria, in turn, produced, displaying his skill in Inventive Execution by designing the business model of selling at a premium price exclusively in salons, and by proactively coaching salon owners on how to sell the products to the end client.

Mitchell’s name recognition and Performer’s skill set got the duo in the door with their early customers, but their survival is a testament to DeJoria’s Producer’s ability to design effective deals in spite of limits, a skill gleaned from a childhood of little and plenty of up-and-down times as a young adult—he’d had to borrow his half of the \$700 in start-up funds from his mom. Because there wasn’t much cash on hand, DeJoria arranged to pay the manufacturer upon receipt of product instead of in advance. That arrangement gave him a two-week head start, so that by the time the shipment arrived from the manufacturer he had the cash to pay for it. That the manufacturers were willing to accept the delay is a testament to DeJoria’s dealsmanship.

Of that time, DeJoria said, “We knew we were going to be okay when we started being able to pay for the product on the day the invoice came due, and not two or three days later.” The very survival of the business required the complementary contribution of a Performer’s specific skill set and a Producer’s business savvy.

THE DUALITY OF GREATNESS: A

PRODUCER-PERFORMER MATCHUP

It may seem strange to discuss partnership in the final chapter of a book about the qualities that allow self-made billionaires to succeed. But we arrived here because the idea of the solo genius is so pervasive in the way people talk about and think about extraordinary success that it obscures the real story of how good ideas become great businesses.

The fact is that billionaires are overwhelmingly *not* alone. Producers have the Empathetic Imagination that allows them to see the potential for a new idea in the market, and they have the Inventive Execution necessary for the product to reach the greatest market potential. Performers, in turn, have extreme skills in one key area, but cannot usually see what *combinations* are necessary to convert a good idea into a great business. Creating billions in value requires both: the Producer's ability to bring together divergent ideas and resources into a blockbuster concept and inventive business design, *and* the Performer's ability to follow through on details needed to make the business work. The Producer and Performer are a pair of thinker/doers who complement each other, and integrate concept and action from Empathetic Imagination through Inventive Execution. While it is true that some Producers initially "pass" as Performers because the organizations that employ them force it, true Producers are not über-Performers and vice versa. Each needs the other to set the stage for massive value creation.

Thus the Producer's most important duality in fact may not be self-contained: it is the foundation built between individuals with complementary skills and mutual trust. In that partnership the Producer's greatest skills are amplified. She is able to focus on the pieces she is good at with the knowledge and trust that other necessary functions are also under control.

We have stated repeatedly that the ability to *see* an opportunity out of a mess of information is at its most basic level an act of the imagination. But inside organizations, the Producer is not always recognized as a creative, especially not in a traditional corporate environment, which tends to label employees as either thinkers or doers. Thirty-five years ago, DeJoria probably looked more like a sales "doer" who happened upon a thinker in the technical creativity of Mitchell. But Mitchell's ability with hair would not have been enough to lead John Paul Mitchell Systems to the level of success it has achieved without DeJoria's skill

with the sale, inventive marketing, and his dedication to the salon channel. Mitchell would not have been able to get the company to the \$5 million mark the two had originally set as the bar for success. The two made a perfect team, and each needed the other.

“Our goal was if we could only get to five million dollars a year in business, we’d each make a few hundred thousand dollars, we’re set for life,” DeJoria told us. “But it wasn’t until we started growing and all of a sudden realizing that we were a million dollars, three million, five million dollars, wow, we could really build this thing big. Days before my partner died, he said, ‘You know, JP, nothing would please me more than maybe one day we could do a hundred million dollars in business, even though I am not here.’ I think at that time we were doing sixty million somewhat in that year, which was huge. And I said, ‘Paul, it will happen. We’ll definitely go over that.’ And obviously we did. Considerably.”

An important aspect of how these relationships play out is that they are conscious choices. Producers recognize that they need complementary skills if they are going to achieve their goals.

DeJoria touched specifically on this when he described the kinds of people he leans on to run his businesses. “You have to pick good people and let go. At Paul Mitchell, Luke Jacobellis, my president, is much better at details and following through on details than I am. Or my vice president of finance—I suck when it comes to details and administration. I understand it, but I’m not a bookkeeper. I need other people who can keep track of that. At Patrón, we had a vice president who should have been a president. In 2003 [when Martin Crowley, cofounder of Patrón, died], I suggested that this guy becomes president. He knows more than anybody else who’s running the company right now. He should be president of the company, and at that point, Patrón was growing every year, but we really took off because Ed Brown was a much better president than I could ever be.”

The “pick good people” piece is key to making these relationships work. DeJoria seems to have a knack for it. He said during our interview with him that he is often approached by people asking if there are any openings at Paul Mitchell or Patrón. His response? “Well, no. In fact, the big deal is we’ve only had maybe fifty people turn over at John Paul Mitchell Systems Corporate in thirty-five years. No one wants to leave. We have an environment where everyone gets to participate. If something is wrong, you tell somebody about it. And if that doesn’t work, you tell me about it.”

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The Spanos children used almost the exact same words to describe the low turnover work environment that their father cultivated at AG Spanos Companies over the past thirty years. “Loyalty was number one without a question,” said Michael Spanos, one of Alex Spanos’s sons. Dean Spanos echoed this point: “That was the most important thing to him. He needed to be able to trust somebody implicitly. And they could trust him. We still have people that are working in our company thirty years and more to this day. I’m not talking four or five. I’m talking dozens. That trustworthiness was so important—he wanted your loyalty, and he also gave you his loyalty.”

Alex Spanos’s daughter Dea Spanos Berberian illustrated the point with an anecdote: “A secretary recently retired and she was here seventeen years. A few years ago she was having some financial problems—one of her grandchildren had health issues—and she was getting ready to resign because she needed a job that paid more. So one of the managers went to my dad and told him, and Dad goes, ‘Why didn’t somebody tell me?’ That’s how he used to talk. ‘Why didn’t somebody tell me?’ And he goes down to the other end of the building to talk to her and he took care of whatever the situation was, and she stayed. That happened many times with the company. He stood behind his people and he was happy that he could do it.”

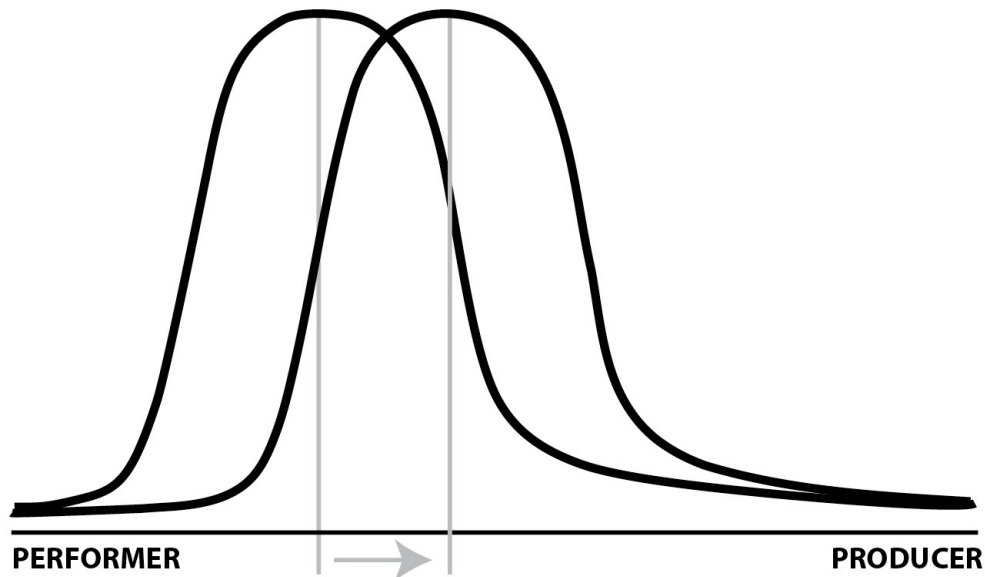
THE PREVALENCE OF PRODUCER-PERFORMER PAIRS

More than half of the billionaires in our study sample started their businesses as part of a Producer-Performer team.² The number jumps to 60 percent when we remove financial industry billionaires from the sample.³ Some famous examples include Steve Jobs (Producer) and Steve Wozniak (engineering Performer) of Apple; Nike’s Bill Bowerman (Producer) and Phil Knight (Performer); and Amancio Ortega (Producer) and his first wife, Rosalia Mera (Performer), who together founded the apparel giant Zara.

The prominence of pairs among the billionaires we observed cuts against a lot of what we always *thought* we knew about how people feel productive and successful in their professional lives. Yet once we saw it in the data and began investigating its dynamics, the prominence of a Leadership Partnership began to

make intuitive sense. Indeed, the concept resonates with almost everyone we talk to.

Figure 6-1: The Standard Distribution of Performers and Producers



Outside of the billionaire population the Producer-Performer skill set works on a continuum, in which the distribution of individuals resembles a shifted bell curve (see Figure 6-1). There are few pure Performers and few pure Producers, but most of us skew to the Performer's side of the spectrum, partly because we are constitutionally inclined that way, and partly because our environments recognize and reward Performance. Academic Performers get all the scholarships and the rewards. Corporate Performers get the raises and promotions. This creates a cycle of performance in which corporate Performers are incrementally promoted until they are leading the company, and then they promote other Performers largely because they can recognize what performance looks like and reward it. Left unchecked, this cycle breeds Performer's organizations composed of multiple functions that execute on their individual tasks exceptionally well, but with no integrative vision elevating those functions beyond the sum of their parts.

Breaking the cycle of performance requires the balance only a Producer can bring with his ability to hold on to multiple views at once—the imaginative and the empathetic; the urgent and the patient; the execution and the invention. Combining the Producer's tools with the Performer's expert execution creates the necessary ingredients for a breakthrough.

It's the combination that seems to create the chemical reaction needed to catalyze value. We note in the introduction the risks that corporations face when they get too specialized and componentized. Performers operating in their own silos rely on functional decomposition, whereby they break big problems into smaller and smaller pieces and then assign each person to do his part. This works so long as the market remains stable, its problems well defined and established. But creating new value in a highly contested market requires a new solution composed of several integrated, interlocking, and reinforcing innovations that together bring sustainable competitive advantage. John Paul Mitchell Systems, Broadcast.com, Carnival Cruise Lines, and dozens of other billionaire businesses reinvented their markets through the application of *multiple* important differentiators that allowed them to attain unique sustainable value. The Producer is needed to bring in the integrated view, and that view can become real much faster and can be more finely executed if a Performer contributes her specialty skills. Wozniak's engineering prowess made it possible for Apple to actualize Jobs's vision of what a PC for the everyman would look like; Paul Mitchell's history as a stylist made him uniquely qualified to know whether the products worked and what their advantages were.

Seeking and promoting a Producer-Performer Leadership Partnership requires, of course, a willing mind-set, which will admittedly require some work inside existing corporations. Most companies are hardwired to focus either on the individual—the master designer or the lead sales rep—or on teams—those five to thirty individuals working on a project. Yet given the centrality of pair bonds in most human societies, making the shift to pairs should seem intuitive. Two individuals working together, complementing each other, simply works better than other options. Multiple empirical studies on entrepreneurial dynamics dating back to the 1990s have shown that companies founded by “teams” (usually two or three individual founders) are more successful than those founded by a sole proprietor.⁴ Within the billionaire population we studied, the Producer often has a long-term partnership with a Performer that brings out the best in both of them and makes massive value creation possible.

Figure 6-2: More Than Half of Self-made Billionaires Are Part of a Producer-Performer Pair



Leadership Partnership Pairs

Note: List of Producer-Performer pairs is not exhaustive.

Take Lynda and Stewart Resnick as an example. The Resnicks own Roll International, a holding company for the POM Wonderful, FIJI Water, and Teleflora brands, as well as for a volume of agricultural properties in the Central Valley of California. Lynda is the Producer, an advertising visionary with a golden touch when it comes to combining Empathetic Imagination with Inventive Execution—her particular skill lies in identifying a product with huge market potential and then finding the perfect marketing and strategy to capture the public imagination.

There was no commercial pomegranate juice before the Resnicks incidentally acquired a hundred acres of pomegranate trees as part of a larger purchase of pistachio orchards. Lynda had an empathetic insight and worked with a product development team to figure out a way to convert the pulp into juice and promote it to a buying public whose sole knowledge of the pomegranate likely stems from reading the Greek myth of Persephone in sixth grade. That a fruit associated with the queen of the dead is now widely viewed as an elixir of life is no small feat, a testament to Resnick's ability to see a market opportunity and attend to the details necessary to convert an idea into a market reality the customer suddenly cannot live without. Just as important, of course, is

Stewart's single-minded performance with a balance sheet. "He's the one who makes sure the businesses are profitable," Lynda has said of her husband.⁵ Stewart is in charge of finance and operations. While Lynda frets about the shape of the POM bottle and how it looks on the shelves next to other, taller products, Stewart makes sure those bottles get where they need to be and make a profit.

The cofounders of Little Caesars Pizza are another married Producer-Performer pair, though their roles are the reverse of Lynda and Stewart Resnick's.⁶ In the heyday of the company, Producer Mike Ilitch was the playful creative who spent his day feeding his Empathetic Imagination. He alternately passed hours in the test kitchen cooking up new flavor pairings and in the halls of the marketing department, where he imagined new funny ads to complement the "Pizza Pizza" slogan that defined the company's promise to feed a family of four for less than \$10. Marian Ilitch was the Performer, a self-taught accountant who managed the company's finances using a simple bookkeeping system she developed and maintained even when Little Caesars had become a \$2 billion company.

We saw such pairings everywhere in the billionaire population. Two years after starting Spanx, founder and Producer Sara Blakely handed the operations of the business over to Performer CEO Laurie Ann Goldman, who ran the company for twelve years. Bloomberg's Producer Michael Bloomberg started the financial data giant with the technology Performer Tom Secunda at his side. In the technology world, these pairings are more public than elsewhere: there is Facebook's Mark Zuckerberg (Producer) and Sheryl Sandberg (Performer), eBay's Pierre Omidyar (Producer) and Meg Whitman (Performer), Microsoft's Bill Gates (Producer) and Paul Allen (Performer), just to name a few.

Sometimes these pairs seem destined to work together. The serial Producer Mark Cuban—cofounder of Broadcast.com and the current owner of the Dallas Mavericks—wrote about the Performer Martin Woodall, who was Cuban's partner in MicroSolutions, his first multimillion-dollar business: "While I covered my mistakes by throwing time and effort at the problem, Martin was so detail-oriented, he had to make sure things were perfect so there would never be any problems. We could drive each other crazy. He would give me incredible amounts of sh*t about how sloppy I was. I would give him the same amount back because he was so anal he was missing huge opportunities. We complemented each other perfectly. It would only be a matter of time before we both knew we had to be partners and work together instead of separately."⁷

In articulating the difference between himself and his partner, Cuban highlights one of the key dualities—his perspective on risk. For him, getting a solution in the hands of a customer *fast* represented a far greater priority than delivering a *perfect* solution. Taking the time to make something perfect brought with it the unacceptable risk of losing out on the next opportunity. Cuban opted for fast knowing that the ever-changing nature of the 1980s computer industry was making almost everything obsolete before it was finished. There was no perfect.

When we sat down with Cuban, he clarified his perspective. “The way I defined it there’s people that if you tell them to do A, B, and C, they’re going to do A, B, and C. And they have no idea D, E, and F even exist. There’s people that if you tell them to do A, B, and C, they’ll tell you there’s D, E, and F and will take the initiative. And then there’s people like me that are bored with the first six letters and go right to G, H, and I. That’s the way I’ve always looked at it. And so I’ve always tried to find people who complement my skill set. I always try to see what’s next, where things are going. And I need people who balance that. And so Martin was as focused as they came, Todd Wagner [Cuban’s partner at Broadcast.com] was as focused as they came. Smart, but completely different than me and as long as I trusted them, I didn’t have to worry about A, B, and C getting done. And they trusted me to keep on pushing the envelope so today’s A, B, and C were different than yesterday’s A, B, and C, and different than tomorrow’s A, B, and C. And I don’t have to deal with the minutiae because I was horrible at it and to this day I’m horrible at it.”

While these partnerships are necessary, the exact makeup of the Producer-Performer pair may change depending on the skills needed to take advantage of an opportunity. As Mark Cuban attests, the complement he needed for MicroSolutions was Martin Woodall, but the Broadcast.com dream team included Todd Wagner. Bill Gates started out with Paul Allen, but he also had a long-term Producer-Performer partnership with Steve Ballmer, during which Microsoft created most of its value. Jobs and Wozniak created the iconic computer maker, but Jobs and Jony Ive, Apple’s chief designer, were the team behind the beauty and sensibility of the iMac, the iPod, the iPhone, and the iPad. John Paul DeJoria and Paul Mitchell founded John Paul Mitchell Systems, but years later DeJoria started another venture with his friend Martin Crowley, a talented architect who went bankrupt trying to make a business designing buildings.⁸ DeJoria pointed him in a different direction and set him up as an architecture buyer supplying materials from Mexico for high-end renovations.

During dinner one night, DeJoria asked Crowley to bring him some quality tequila from Jalisco—“the kind the aristocrats drink,” DeJoria said, recalling the episode. The tequila Crowley brought back was “smoother than anything we could get here,” DeJoria told us. DeJoria and Crowley went into business together, made the tequila smoother, and went to market the premium tequila brand Patrón, which today dominates tequila sales in the United States.

HOW IT WORKS: THE PRODUCER-PERFORMER EQUATION

What’s the balance of activity between Producers and Performers? It naturally breaks down differently depending on the business and the opportunity. But from our research we see that the Producer discovers the vital need in the marketplace and creates the business design—and sometimes the product design—necessary to capture all the details of execution necessary to meet that need. The Performer applies the virtuoso creativity in operations or marketing or another specialty area necessary to fulfill the design’s promise.

John Paul DeJoria, for example, saw the right business design that was necessary for Paul Mitchell’s single-application shampoo product to gain the attention of hairdressers and the customers they served. By selling exclusively in salons, DeJoria created a whole generation of hairdressers and salon owners who needed the product and acted as a powerful sales force for the brand. The product alone without DeJoria’s distribution design and ability to execute would not be John Paul Mitchell Systems.

Likewise, DeJoria designed the Patrón business specifically to fill a gap in the spirits market. There was no high-end tequila available outside of Mexico before Patrón came on the scene. Signaling its quality required a premium price per bottle of around \$40. DeJoria also gave it to friends—including celebrity chef Wolfgang Puck, whose endorsement helped pollinate Patrón throughout the fashionable bars and restaurants of L.A. Again, the product alone without the business design details and Inventive Execution would not be Patrón.

When we asked DeJoria how he would describe what he does compared with what his Performers do, he explained the relationship using an initiative he funds called Grow Appalachia as an example. Grow Appalachia is a project

funded by the Peace, Love & Happiness Foundation that DeJoria started as a vehicle for his philanthropic giving (DeJoria has also taken the Giving Pledge, a commitment by the world's wealthiest people to give away large portions of their wealth in their lifetimes). The origins of the project date to 2009 when DeJoria decided to examine the range of philanthropic activity he engaged in.

"Here in the United States we're doing all kinds of things from saving the whales, to saving water, to helping the homeless become employed," he told us. "I asked around about other projects we could do to help people. A fellow that works for me comes from the hollows of Appalachia, and he said Appalachia's being neglected. So we did a little research and found there are a hundred and fifty thousand families receiving food stamps in Appalachia. So I thought I'm going to take that on. My goal will be in seven years to help at least fifty thousand families become self-sufficient and off of food stamps."

DeJoria is a businessman, not an expert in food scarcity, so he looked for a Leadership Partnership to manage the venture. He eventually decided to work with Berea College, an institute in eastern Kentucky. DeJoria funds the venture, Berea hosts Grow Appalachia, and Berea Performer David Cooke, a West Virginia native, holds the directorship of the venture.

"Here's what I wanted to do," said DeJoria. "Step number one was I would pay for seeds, fertilizer, equipment, as well as agricultural extension educators and volunteers to actually go out there and teach people how to farm. The goal of phase one was, you will feed yourself, your family, anyone destitute around you and be able to can for the winter so you can have food year-round. Phase two is you grow more vegetables—now you know you can do it—so you're taken care of, your family is taken care of. The extra you grow you can sell at farmer's markets or to local grocery stores as locally grown produce. Now you have some income, all right? Phase three is, once you have an income, teach someone else to do what you did. I'll buy the extra seeds and inputs and all that and you pass along what you learned to others. If I have fifty thousand families I could affect directly and each of them teach two others, that's a hundred and fifty thousand people getting to be self-sufficient and eventually making enough money off the gardening and the produce where they don't need the food stamps anymore."

Grow Appalachia launched officially in 2010. In its first year, the venture grew 120,000 pounds of food for more than 2,800 people. In the second year those numbers expanded, despite a difficult growing season, to 134,000 pounds of food for 3,694 people, and created a total of more than seventy full-and part-

time jobs. In its third year, 2012, Grow Appalachia produced 320,000 pounds of produce for 9,000 people. From nothing to 320,000 pounds is an impressive feat, the result of Empathetic Imagination made real by a Producer who had the original vision and a Performer collaborator with whom he is helping him execute.⁹

“What I bring is the start of it,” DeJoria said of the balance between production and performance. “I sometimes bring the finances, the enthusiasm, and the direction to go into. I can do that pretty good, yeah. And what a guy like David Cooke can do is they take it and they execute it. In some cases they have the ability to do it and learn along the way; in other cases you have to kind of remind them along the way. Review things, make decisions with them and then you go forth. In many cases they enhance my idea. ‘Well, that’s cool, but this even worked better.’ So it’s kind of like giving the direction and follow them through to make sure they are following that direction.”

AN ABUNDANCE OF PRODUCERS

We have no doubt that when organizations skew too far in the direction of Performance—with no balancing Producer to integrate the various skills and resources into a blockbuster idea—it becomes very difficult to create massive breakthrough value. The most common pairings we saw in the billionaire population were between Producers and a Performer counterpart (or sometimes more than one) who had a foundational role. There are, however, a number of great Leadership Partnerships between two Producers. Google founders Sergey Brin and Larry Page are one example that started as a Producer-Producer match that eventually found its Performer complement in CEO Eric Schmidt. Theo and Karl Albrecht—fraternal founders of the German grocery store Aldi—started as a Producer-Producer pair until they decided for business reasons to split their company into Aldi Nord (North) and Aldi Süd (South), each brother taking and producing with his half. Both Groupon founder Eric Lefkowsky and his partner Brad Keywell have Producer characteristics. Production is the necessary element—without it the business lacks the integrative view necessary to turn a good idea into a great business. Two Producers working together is the right match in some circumstances.

Herbert and Melvin Simon, cofounders of the Simon Property Group, demonstrate how two Producers can evolve and grow massive value. Their billionaire partnership is responsible for such innovative retail properties as the Mall of America in Bloomington, Minnesota, and the Forum Shops in Las Vegas. The former is still the largest indoor mall in the United States, and the first to integrate a shopping mall with an on-site amusement park as a way to bring a larger audience to the mall. The latter was one of the first efforts to integrate a high-end shopping property with a casino, in this case, with Caesar's Palace.

As Herbert Simon told us when we met with him at his offices in Indianapolis, the brothers traveled a long way to get to Las Vegas from the Bronx, where they grew up as the oldest and youngest sons in an immigrant Jewish family (Melvin Simon died in 2009).¹⁰ Melvin enlisted in the army when he came of age, and found himself in Indianapolis when his tour of duty was over. He decided to stay and work for a local leasing agent there. Eight years separated the two, and when Herb Simon graduated from college and got married, Melvin persuaded his brother to join him and take a job with the same agent. After a few years the two left their employer to form their own retail development company.

In their family, being the oldest meant that Mel was responsible for his siblings (the third brother, Fred, came to the company a couple years later to head up the leasing division, and did so for many years before he retired). Perhaps it was Melvin's seniority, his famous charisma, or the fact that he had worked in real estate for years before his brother joined him, but Melvin took on the role of the Producer at the beginning. It was Melvin, according to Herb, who had the courage to suggest they develop their first properties, and it was Melvin's charismatic nature that got them the meetings and his savvy that allowed him to design the early deals that gave them the momentum to grow.

Their first developments were strip mall properties. Then, as now, retail is cyclical. The Simons needed a way to decrease the volatility of retail cycles, so Melvin hit on the idea of "anchoring" a property with long-term tenants with reliable business models. The concept of the anchor tenant is common today in retail. The obvious choice is a department store, such as Macy's or Bloomingdale's, or some other industry staple, but the unknown Simon brothers did not yet have the cachet, in 1960, to attract the attention of a high-caliber tenant. "Sears would not even talk to us," Herb Simon told us. To make their first properties successful they instead went after grocery store chains and pharmacies as anchor tenants. "Supermarkets, drugstores, the local chain

pharmacies as anchor tenants. Supermarkets, drugstores, the local chain supermarket,” Herb Simon said. People will always need food, medicines, and personal care products, and the presence of those retailers kept a property more stable even if there was some turnover among clothing, housewares, or entertainment retailers.

“We were able to start doing that until we finally made our first breakthrough with Montgomery Ward,” Herb said, “who was a little easier to deal with. But it took a long time. We had the right property and they wanted it. And it just evolved from that. They were easy to get to and we just happened to make the breakthrough with them and then shortly thereafter with [JC] Penney. Penney became a very big client of ours also. And slowly but surely we brought the mall to other department stores.”

Herb credits Mel for those early successes. In fact, he insisted throughout our interview that the story he shared was really Melvin’s story. But as he told us about the growth trajectory of the company and the nature of the business they were in, it was clear that Herb likewise took his opportunities to produce. When the company got to a certain size, the brothers no longer had the luxury of letting Mel produce while Herb performed. Instead they began to operate more independently, splitting developments so that Melvin produced half and Herb the other half. The brothers constantly exchanged ideas (and according to Herb, they disagreed and argued as well), and each relied on the other to serve as a sounding board and counterbalance. Though both Producers, they still benefited from the efficiency and collaboration that came from working intimately with someone with differing views and perspectives.

Through this collaboration they were able to address the challenges of a changing market. Even as the Simon brothers got their foothold in strip malls, the concept of the modern, enclosed mall was emerging. Herb Simon remembers the change as incremental. Slowly, the size and scope of the deals they did grew. “I didn’t really stop to think about [how the modern megamall concept came up],” Herb said. “Based as we were in the Midwest, we had smaller cities and we had less grandiose plans because of the size of this marketplace. But as we got more involved with more opportunities and we got into larger markets, then it becomes more elaborate. And it’s just an evolution that happens almost right under your eyes. Start with a supermarket and a drugstore and then the first mall with tile floors and rubber plants in the small little communities. And all of a sudden we had magnificent malls, live plants, beautiful terrazzo, and it just evolved. If you’re in it long enough, you work hard enough, you get lucky. You got to get better. You can’t stay the same. So, it’s sort of organic. So, step-by-

step, you sort of keep adding things that work and it keeps attracting more and more. And, you're involved in an industry where everyone was sharing ideas. You can't be the only one who has all the great ideas."

FINDING A MATCH

The self-awareness necessary to see the special skills in people and to know who can take on roles and do a better job is strong in the billionaire population. Consider Spanx founder Sara Blakely. Blakely worked solo for years. She had the empathetic insight that women everywhere, of all sizes, wanted a smooth line under their pants. She showed the patience and urgency needed to quickly work and rework the product, while dealing with repeated rejection from manufacturers and retailers. And she showed Inventive Execution in designing the product, the pricing, and making the sale. There was no separation between thinking up the idea and the design, and actively seeing the execution of her concept through all the way to the stores and into the buyers' shopping bags.

Today she still owns the brand she created, but she hasn't *run* the company in more than a decade. The change came arguably because her eye for Inventive Execution was so good that she blew out the capacity of her supply chain, an area where Blakely did not have particular skills or knowledge. This happened in 2003, when Blakely sent samples of Spanx to the self-made billionaire and U.S. talk-show queen Oprah Winfrey. Winfrey had once admitted to an audience of a million viewers that she routinely cut the feet off pantyhose to wear under fitted pants. Spanx seemed the perfect product for her, and they were—Winfrey listed Spanx as one of her favorite things of the year, unleashing a buying frenzy that challenged Blakely's small-scale production channel. Stock outages and missed deliveries almost cost Blakely the catapulting power of the Winfrey endorsement. Never again: that year Blakely hired Performer Laurie Ann Goldman, who collaborated with Blakely as the Spanx CEO until early 2014. Blakely continued honing her Empathetic Imagination, focusing on developing new product ideas and execution approaches, and acting as the face of Spanx.

CULTIVATING PRODUCER-PERFORMER PAIRS

Every day, businesses face new problems that require innovative solutions: solutions that require a differentiated view of the real risks the company faces; solutions that require urgent action coupled with patience as results unfold; solutions bred from equal parts Empathetic Imagination and Inventive Execution; solutions that require the business to do things it may never have done before. These are solutions that a Producer can see and that a Producer-Performer partnership can execute through a Leadership Partnership model.

Elevate Your Producers

Companies that embrace Leadership Partnership need known Producers in senior positions—people with a proven track record of seeing the problem differently from how others do, of coming up with imaginative solutions and ways to make them real. This may be harder for many than it sounds. We mentioned early in this chapter the tendency within large organizations to recognize and promote Performance. The problem-solving corollary to this phenomenon is that most problems are interpreted as needing a Performer's solution. As a result, even when an organization hires or keeps someone who is recognizably different in his views of risk and time, or in the degree of imagination he brings to his work, that person is only rarely given a project needing a Producer's mind-set and execution ability.

Unraveling the Performer's cycle will require many organizations to overcome their natural preference for performance. Performers are critical and necessary—Producers don't negate that value. On the contrary, the Performer's skills get stronger and his value is amplified, in the company of a Producer capable of seeing the combination resources needed to unlock value.

Though few organizations have an existing process for specifically identifying Producer-types in the organization, it has been our experience when we describe the Producer traits—Empathetic Imagination, Patient Urgency, Inventive Execution, and a Relative View of Risk—executives know right away who among their direct reports has Producer tendencies. If they are lucky, they may even be able to name someone who is off the charts. But while they know

who has Producer potential, they often hesitate to put those people in charge of big new initiatives—because the Producer’s way is so different from how Performers operate, taking such a step feels risky. Nor do managing executives think about how to match a Producer with a complement who has the Performer’s ability to optimize within the boundaries of the Producer’s design.

Seek Out Producer-Performer Pairs

Elevate your Producers, but also look for Performers you can pair with them to increase the likelihood of a breakthrough. Our research revealed that these pairs—and the occasional threesome—were highly effective at making value happen. Take a chance on them. It will require a shift in mind-set away from the traditional model of rewarding the individual or the team.

When it happens, acknowledge the Producer-Performer event. When a pair working together successfully ushers in a solution, recognize the chemistry of that pair making value happen, if even on a small scale. Don’t break up that pair and promote each member individually. Producer-Performer pairs who excel together may find much of their alchemy in the *combination* of elements they bring to the table. Instead of splitting up that chemistry, keep the duo together and promote the two of them to the next challenge.

Get Out of the Way

Remove roadblocks that keep Producer-Performer ideas from moving up to the next level of execution. All companies have processes that new initiatives must go through before they go live. If a Producer-Performer pair presents a solution to a group of *Performers*, the odds of that solution being axed are much higher for all the same reasons that Performers promote Performers—they have trouble recognizing the value of production in action. Giving Producer-Performer pairs the best opportunities will require that they be evaluated by other Producer-Performer pairs.

Pursue Cultural Change

Elevating Producers, matching Producers with Performers, promoting pairs together and setting up systems so that Producer-Performer pairs are inducing

together, and setting up systems so that Producer-Performer pairs are judging. Producer-Performer pairs will require changes in the organization. Having a Leadership Partnership model is a new way of operating, and the processes, actions, and resources needed to make it happen will take shape over time and through practice.

One step you can take to facilitate that change is to look at the talent and resources you have *already* to see whether you don't have elements of Leadership Partnership in action. Look, for example, for pairs who have worked together to bring about something new within the organization. Consider them—together—to lead a new opportunity that requires Production skills. If that pair has just come from a Production, make sure their next step is another higher-order Production—be careful you don't downgrade them to a role that requires only Performer skills.

Look also to the talent you acquire through your acquisitions. Sometimes you get the right feedstock through incidental means. To keep them, make sure those Producers are given opportunities to use their differentiating skills.

Think about what the organization values and how you communicate those values. In many, the stories of success that get promoted and repeated are Performer's stories. This reinforces the idea that only Performers can excel there. These dynamics are self-perpetuating. Your highest-potential employees are going to hear about your firm's "success stories," and those who want to stay will mimic the narratives they see those stories fulfill. Others—your Producers in particular—will look around at the success stories and be unable to recognize themselves. They will conclude that there is no place for them in your organization, and they will leave.

To counteract that tendency, make sure to celebrate stories that show Producers in action, applying their Relative View of Risk, Patient Urgency, Imagination Empathetic, and Inventive Execution. Even if your organization is just at the beginning of embracing Leadership Partnership, tell stories of Producer-Performer pairs in action to send a signal to emergent Producers—and their complements—that their way of thinking and a partnership route to success have a place in the organization.