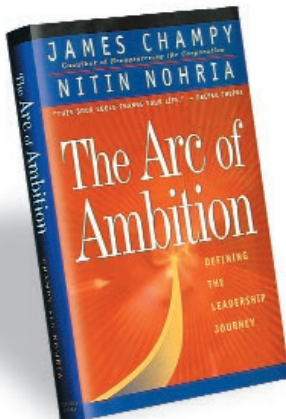




Executive Book Summaries®



By James Champy and
Nitin Nohria

Defining the Leadership Journey

THE ARC OF AMBITION

THE SUMMARY IN BRIEF


What drives some people to accomplish spectacular things, to fulfill aspirations beyond anyone's expectations and to make a lasting impression upon everyone around them? For authors James Champy, the former head of CSC Index and co-author of *Reengineering the Corporation*, and Nitin Nohria, a professor of business administration at the Harvard Business School, the answer is ambition. They believe that ambition is the key ingredient that transforms a simple idea into a global business, topples an empire, or turns a family of immigrants into a financial dynasty.

Most of us dream of greatness from an early age. We envision growing up to be like our role models, whether they are our parents, teachers or athletes. We are further inspired as we read our schoolbooks and learn about national heroes such as Abraham Lincoln, Rosa Parks and Sally Ride. All of these experiences nurture the seedling of ambition that was planted at birth.

Yet, people have always had ambivalent feelings about ambition. Although we recognize that it is essential, we regard it as slightly dangerous. We don't approve of those who abuse it, but we don't respect those who lack it. However, history confirms that ambition is more often good than bad. In fact, good ambition is the lifeblood of human achievement.

In this summary you will learn what ambition is and how to use it to accomplish great things for yourself, your family and your company. Specifically, you will learn about the fundamental abilities that can take you up the arc of ambition, including:

- Seeing what others don't.
- Recognizing when to seize the moment.
- Never violating your values.
- Keeping control by giving it up.
- Leaving gracefully.

The habits and practices of ambitious people aren't innate; they can be learned. If you are ready to embark on a journey that can take you to the top of the arc of ambition, turn the page. 

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THE ARC OF AMBITION

by James Champy and Nitin Nohria

— THE COMPLETE SUMMARY

Ambition Is the Root of All Achievement

People have always been ambivalent about ambition. We see it as dangerous yet essential. We disapprove of those who abuse it, but we dismiss those who lack it. We see too little of it as a failing, too much of it as a sin. Simply put, ambition is what makes us go.

Almost everyone dreams of doing something special, whether it's building a new Internet company, writing a novel or going into politics. Whatever the size of your goal, it is driven by ambition. And that ambition, as shown by the study of the careers of great achievers, follows a predictable arc.

The curve of the arc of ambition, as the authors call it, isn't necessarily the same for everyone. For some, the rise is slow. It was for Sam Walton, who didn't open his first Wal-Mart store until he was 44 years old. For others, the curve rises quickly, often at a surprisingly early age. Michael Dell started producing custom-built personal computers in his college dorm room.

The first segment of the arc is the *rise* of ambition — the initial dream and the perseverance and courage that must be exercised in the pursuit of that dream. The second section of the arc covers the *apex* of ambition, as an individual tries to build something bigger than himself. It could be a business, a university or a country. The third section confronts the *decline* of ambition, the time when every achiever must cope with his or her toughest challenges. By studying achievers and understanding what makes them accomplish so much, you can learn how to best achieve your personal ambitions, whatever they may be.

Creators, Capitalizers and Consolidators

Ambition is the catalyst that ignites daring achievers and converts the ordinary into the extraordinary. Ambitious individuals tend to emerge when a new technology or way of thinking sweeps the world. During these times, three archetypal figures emerge. These ambitious men and women are creators, capitalizers and consolidators.

Creators are true innovators who pioneer a new technology to the point of making an old field technically obsolete. In the arts, dancers like Isadora Duncan and Martha Graham are creators. So was Ernest Hemingway, whose terse style broke the Victorian hold on novel writ-

Do Achievers Make History or Vice Versa?

Some philosophers have argued that heroes shape events, while others argue that events shape heroes. The truth is probably somewhere in between. After all, if Madame Curie had not discovered radium, wouldn't someone else have? On the other hand, had not Abraham Lincoln become President, would the United States still exist?

Achievers arise from a rich ragout of unpredictable ifs. **If** people have the talent and the training, **if** they are in the right place at the right time, and **if** they have the inner drive we call ambition, they may succeed and hold onto their success.

ing. In the sciences, Albert Einstein and Jonas Salk were creators.

Capitalizers come next. They market the new technology so energetically that a whole new infrastructure is required to accommodate its distribution. For example, the nation's electronic subsystem has been rebuilt three times in the last 70 years by capitalizers who found new uses for innovations, going from telegraph to telephone to cable to satellite to the Internet.

Finally come the **consolidators**, the professional managers in business and the museum curators and theater producers in the arts who make new technologies work consistently and profitably. Ultimately, however, consolidators tend to look inward rather than outward to customer needs, and they lose their creative impulses. The stage is then set for a new wave of creators as the cycle repeats itself.

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The authors: A pioneer of the reengineering movement, James Champy co-authored *Reengineering the Corporation*. Nitin Nohria is Richard P. Chapman professor of business administration at Harvard Business School and author of the award-winning *The Differentiated Network*.

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Ambition Is the Root of All Achievement

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The Arc of Ambition

The rise and fall of an individual's arc of ambition can be reduced to a series of stages. These stages are:

✓ **Seeing what others don't.** The arc begins when someone sees something others don't. A fresh insight of discovery springs forth. In an ambitious person, the idea is transformed into something that is possible. From this, there emerges a belief that hard work must and will make it happen.

✓ **Following a steadfast path.** Success often comes after a series of setbacks. To achieve success, you must learn to be stubborn. The road to success requires perseverance, optimism and an unquenchable hope that the moment of opportunity will come.

✓ **Seizing the moment.** Dreamers become achievers when suddenly the moment they have been waiting for looms ahead and they seize the opportunity.

✓ **Tempering ambition.** At some point along the arc, as you near the apex, you run the danger of losing your balance. The key to successfully retaining your balance is setting ambitious goals you execute well.

✓ **Inspiring with a greater purpose.** To keep soaring along the rise of the arc, you need to transform your personal ambition into a broader purpose so that you inspire others to join in and contribute to the effort.

✓ **Never violating values.** When the point comes that you are tempted to cut corners to get further ahead, pause and consider the consequences. There is no more certain way to hasten a fall down the arc.

✓ **Keeping control by giving it up.** The only way to keep control is by giving some of it away. Fear chills minds and kills companies.

✓ **Changing or perishing.** Change is inevitable. Do not become complacent, or the competition will whittle away at your success.

✓ **Leaving gracefully.** We all get old and die. When you have created a lasting legacy, don't hesitate to step down with grace. ■

See What Others Don't

For centuries, human flight has been a tantalizing fantasy. In Greek mythology Daedalus and Icarus dreamed of flying away from King Midas' prison. Daedalus created wings made of feathers and wax to aid their escape, and away they soared until Icarus, the disobedient son, flew too close to the sun and fell to his death as the wax melted. The legend implies that a creative mind can achieve the impossible provided it sees what others cannot see and avoids the danger of hubris. The story of

Something New From Something Old

A café that serves coffee is hardly new. Building 2,000 cafes that consistently offer superb coffee in attractive settings is distinctly new. Howard Schultz turned that idea into Starbucks, creating a new social institution in the process.

Retail discounting isn't new either. But Sam Walton saw the possibility of lowering prices further and further, while making service better and better. And he saw that rural America might provide the best markets from which to realize his dream.

Similarly, Ted Turner did not create the idea of news, but repackaged it as television news 24 hours a day. Schultz, Walton and Turner all saw something others didn't see and made it into an entirely new business.

Daedalus and Icarus is a metaphor for ambition.

Achievement is about seeing beyond the conventions of the day. Achievers ignore the boundaries of the old and have the courage to explore the new. They see something others don't. Sometimes that something is an intellectual meteor, like Albert Einstein's theory of relativity. Sometimes it's as simple as taking a familiar form and turning it into something new and wholly original.

What unites all achievers is their ability to see the world clearly, unhindered by the fear of obstacles. When others see roadblocks, achievers find ways of getting around them. They follow through on ambitious dreams with action. They find a way to act, either by directly confronting the obstacle or by taking incremental first steps around it.

Achieving the Impossible

Achievers dare to fly in the face of disbelief. Consider the case of the Wright brothers. The two brothers achieved what others had only dreamed of: human flight. Together, they revolutionized transportation and warfare for all time.

The Wright brothers grew up in Ohio and never graduated from high school. But they did have a knack for mechanics. In 1894 they read about the first successful human glider and decided that they wanted to try something similar. Over the next few years they experimented with different configurations until they finally found a way to get a glider off the ground.

But they didn't stop there. Instead, they refocused on powered flight. On December 17, 1903, they took the world's first powered flights. By 1908 they had a contract with the War Department to produce airplanes that

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See What Others Don't

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were to fly 40 miles an hour.

Begin With the Possible

If you want to rise along the arc of ambition, you need to take your impossible vision and begin the ascent with what is possible. This is the resolve that drove Judy George, founder of Domain, Inc., a chain of upscale furniture stores on the East Coast. Her dream, begun in childhood, was to create a tranquil and beautiful home unlike the one she grew up in. Today almost everyone who walks into her stores responds to the atmosphere of comfort and serenity she has created.

Judy spent ten years building someone else's furniture company, a \$100 million a year success story. Then she was fired. Her reaction was to create a business plan, impress venture capitalists, and launch her own chain. Her goal: to enrich family life, not just sell sofas. ■

Abraham Lincoln Finds a General

When commanders like George McClellan disappointed Abraham Lincoln, he sought out a more ambitious general. He found Ulysses S. Grant, an unpretentious genius of few words but a clear sense of courage. Where other generals feared confronting a seemingly superior enemy, objectivity gave Grant an advantage. He knew that both sides feared the other, and he used that fear as the great equalizer.

Follow a Steadfast Path

It takes a strong character and a lot of willpower to hold onto a dream under adverse circumstances. Success simply doesn't come easily; perseverance is essential. Without the ability to persist, you won't make it up the arc of ambition. That idea may seem old-fashioned, but it still holds true.

Dreams and determination combine to produce greatness. You need only consider the journey of Nelson Mandela to understand the road to achievement. Mandela's dream of transforming the racist society of South Africa into a multiracial democracy lasted more than 50 years. His determination to advance that dream, to keep fighting despite intense torments to both his people and himself, carried him to a day in May 1994 when he became president of South Africa.

Optimism Can Be Learned

Constantly moving toward a goal, even if the steps are

Sam Walton and the Rise of Wal-Mart

Perhaps no modern day businessman exemplifies lifelong learning better than Sam Walton. Originally a small-town merchant, he became one of the richest men in business history. He rose from rural poverty to business triumph as he created the world's largest discount chain. Today there are over 3,000 Wal-Marts worldwide.

After returning from a stint in the military during World War II, Walton bought a Ben Franklin five-and-dime store in Arkansas. Within three years, the store was bringing in double what it had when he bought it. Almost immediately, Walton realized the value of volume sales. Within six years, Walton's Ben Franklin was the most profitable in a six-state region. Next, he bought another Ben Franklin, and another, until he had six. Then, in 1962, he opened his own discount store, the first Wal-Mart. By 1979, there were 230 stores.

Walton didn't stop with Wal-Mart. He took note of a new wholesale format, pioneered by a California retailer, Sol Price's Price Club, and added Sam's Club to his retail empire. By the time he died, Walton was the richest man in the United States.

small, will eventually bring success. If you want success to come, you must remain optimistic. Optimism keeps the mind wide open to opportunities. It helps to view setbacks as temporary, to reject stereotypes of what success looks like, and to not internalize defeat. Those are exactly the characteristics that kept Mandela's dream of a united South Africa alive. When he was imprisoned for his political activities, he viewed his sentence as a temporary defeat, even though it ultimately lasted 27 years. He refused to accept the stereotypes that all whites were racists, thus allowing him to build support in the white South African community. Finally, he refused to internalize defeat, despite confinement in a maximum-security prison on an escape-proof island. He continued to see himself as his people's leader, despite his prison isolation.

Optimism can be learned. It just requires you to make a concerted effort to change how you see things. A huge proportion of success, perhaps as much as 60 percent, is a matter of attitude, positive thinking, and seeing in your mind's eye that things are sure to come to a good end. The rest of success is perseverance begetting good luck.

Achievers share an appetite for learning from the success of others and from their own mistakes. Those who never stop learning are the ones who move forward. ■

Seize the Moment

At some point on the way up the arc of ambition, a moment will come when opportunity stares you in the face. The action you take at that moment determines whether you will succeed or be left with just your dreams. To seize the moment, you must be prepared. Hard work in preparation for that moment is what can fix the odds in your favor.

Consider the case of Thomas Jefferson. In 1803 he was the president of a fledgling republic with no power, little cash and few prospects. Nonetheless, he had a vision of a great country. When opportunity presented itself in the form of an offer from Napoleon to purchase the Louisiana territory, he seized the moment and bought the land. With that purchase, Jefferson set the stage for the growth of a great nation.

You won't recognize opportunity unless you obtain the proper knowledge. Knowledge can even turn what would otherwise be foolish risks into acceptable opportunities. With knowledge, what may seem like foolhardy risks to others may actually be calculated and measured risks to someone prepared.

Timing is crucial when it comes to seizing opportuni-

Trend-master Ted Turner

Ted Turner is probably the greatest trend spotter of our age. After taking over his father's failing outdoor sign business, he started buying radio stations. Then he moved on to television. After buying first one, then a second station, he began negotiating a satellite hook-up with RCA. At that time, cable television was still in its infancy. When the Atlanta Braves came up for sale at a bargain price, he bought them, figuring he could use his stations to broadcast games.

In the late 1970s three television networks still controlled about 90 percent of the market. Ted Turner sensed that the nature of the family was changing. Soon, he reasoned, mom, dad and the kids would not be gathered around the television for the evening news. Their active lifestyle would require that news be delivered when they could see it, not on a network's schedule. On June 1, 1980, he launched the Cable News Network. By 1981, CNN was reaching 10 million homes. Today, CNN dominates broadcast news and is seen in 210 countries.

Next, Turner launched Turner Network Television (TNT). He planned to show movies anytime and all the time. By 1996, Turner was able to sell TNT to Time Warner, making him one of the 50 richest people in the United States.

ties. You can't seize the right opportunity at the wrong moment, nor will the opportunity hang around while you dither for the right moment. When daring is augmented by a shrewd sense of timing and a vision unseen by others, ambition flourishes. Business is risky, but if you are to make your vision a reality, you must take action when an opportunity dangles before your eyes.

Ambitious Achievers Make Their Own Breaks

Sometimes opportunity doesn't appear out of nowhere. You must seek it out, creating your own break. Consider Ray Kroc, the moving force behind fast food giant McDonald's. He didn't create the first McDonald's, but he did recognize its promise when he saw it. When he heard about a new kind of restaurant that had just opened in Pasadena, California, he immediately went to check it out. What he found was a clean restaurant with fast-moving lines and very satisfied customers. Visions of McDonald's restaurants dotting the country paraded through his head. Within a week, he was the owners' national franchise agent. Like many other ambitious achievers, he thought big when others thought small. He spotted a trend.

Trend spotting is another skill you can develop. It is a talent best honed by constant focus on new developments, sustained by a zest for catching the next wave early. In other words, you must develop a knack for being active, engaged and a master of what's happening. Achievers learn to use sharp senses to spot opportunity-laden trends.

To develop your sense for what will be the next new thing, you must be out in the world, ear to the ground, nose to the wind, eyes and mind open to signs of what millions will care and talk about before they know they will. Train yourself to listen and watch and then act on what you see and hear. ■

Temper Ambition

Is there such a thing as too much ambition? Many would say that the answer certainly is yes, that unbridled, unmitigated ambition can lead to folly of historic magnitude. The ability to walk a high wire — to risk all without failing — is rare in business. You must master your own limitations, learning to be neither cowed nor seduced by heady opportunities. Don't begin believing you are invincible or you may pay a huge price for self-delusion.

A startup business must be propelled by its founder's ambition, imagination and force of ego. But it can't survive unless you pay attention to the nuts and bolts of everyday operations. Business is grounded in reality. Ambitious business leaders get in trouble when they tell their employees to get results and then don't monitor

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Temper Ambition

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how those results are obtained.

Perhaps you dream of spectacular growth for your enterprise. This is the time your rise up and over the arc of ambition may be most tenuous. You need realism and discipline during times of giddy growth. We all want it: more money, more power, more pleasure. But growth has real limits. In business, growth also brings bureaucracy. In the end, a nimble upstart one-tenth your size may prove your undoing.

Dream-Killing Realities

Achievers are at risk of drowning in egotism. They tend to be gifted, dynamic people who have in some measure earned their large egos. But an overactive ego can kill dreams. You must devise a checklist of dream-killing realities if you intend to stay at or near the top of the arc of ambition. Your checklist should include the following:

✓ **Time.** There are only so many hours in the day, and decisions made after 48 sleepless hours are rarely solid ones. Recognize that time will limit you, and work within reasonable time limitations.

✓ **Talent.** You must become adept at identifying other people with talent. If you refuse to delegate work to others, you will find yourself stretched too thin, and things will slip through the cracks.

✓ **Momentum.** Be aware that when you reach the top you may lose momentum. Maintain an enthusiastic outlook.

✓ **Risk.** Don't expect to dominate your field forever. You are always at risk that someone with a better idea or better follow through will catch and surpass you. ■

Ambition Undone by Greed

Two years after he led Republicans to a sweeping victory in the House of Representatives, Newt Gingrich was forced to resign from his position as Speaker of the House. Why? In large part, because he let ambition and power get the best of him. Shortly after he was made to exit Air Force One by the back door rather than the front, he shut down the government during a budget impasse. The childish stunt led to his fall from grace. Gingrich, of course, is not the only recent politician undone by hubris while at the pinnacle of the arc of ambition. President Clinton may not fare well in history after his affair with a young woman half his age.

Making a Business of Respect

There is probably no more public example of someone who has focused on the environment than Tom Chappell. His "Tom's of Maine" line of products, including everything from soap to toothpaste, contain no ingredients that can damage the environment. Chappell founded his company on the belief that people and nature deserve respect. In framing his greater purpose and imbuing the company with a sense of his mission, he has strengthened both the organization and its ties to him as the founder.

Inspire with a Greater Purpose

People who reach exceptional heights usually share a sense of a clear goal, a compelling purpose that serves as true north. The most satisfying purpose goes beyond making money and toward a quest for a higher good. A "right" purpose can lead you to an enriched life, as it galvanizes many people working together for a vital cause that gives all of them a sense of meaning.

The need for meaning drives every human to create, to build, to pursue achievement. A worthy cause holds enormous appeal.

Many great achievers have viewed their goals as a calling and pursued them with a sense of mission.

However, your purpose need not be extravagant or all encompassing to be meaningful. Your gift to the world might well be an honest car dealership or a reliable hardware store.

A purposeful ambition will survive even great hardship, whereas a less purposeful one will quickly die. There are eight practical ways that you can elevate your ambitions to a higher purpose. They are:

- ✓ **Achieve excellence in whatever you do.**
- ✓ **Create great value.**
- ✓ **Empower the individual.**
- ✓ **Improve the human condition.**
- ✓ **Create fun and pleasure.**
- ✓ **Invent the future.**
- ✓ **Use profits for the public good.**
- ✓ **Improve the environment.**

If you emulate successful businesspeople, politicians and other ambitious achievers who stay true to their chosen path, you will be imbued with a sense of purpose. This sense of purpose can take the form of financial support for the environment, culture or education. ■

*The need for meaning
drives every human
to create, to build,
to pursue achievement.*

Never Violate Values

Compromise is bad for ambition. You will inevitably face right versus wrong choices. The right decision may even be costly, the wrong one easy. But your integrity is too precious to squander on short-term gains. When you violate moral or ethical values you say you believe in, you are headed for a slippery slope, sliding from bad to worse.

The strength of long-held moral values prompts right actions even when one might least expect it. Consider the case of Floyd Mann and Congressman John R. Lewis. During the height of the civil rights movement, Lewis arrived in Montgomery, Alabama, as a "freedom rider." Mann, who was the state's public safety commissioner, and a staunch segregationist, accompanied the riders.

When the freedom riders got off their bus, an angry white crowd greeted them. Lewis and a fellow rider were knocked unconscious. Mann, the dedicated segregationist who had sworn to keep order, did just that. He marched into the angry mob and demanded they stop, probably saving the men's lives. He did so because of his strong conviction for the rule of law.

Strong values can help establish business purposes by ensuring customers are treated fairly. Your reward, of course, is that you earn their loyalty. One excellent way to establish strong business values is to develop a company code of conduct or other statement of values.

Not an Abstract Exercise

Dealing with ethical values is not an abstract exercise. What do you do, for instance, if a valued employee is caught taking favors from a vendor looking for more business? Doing the right thing at a high cost is a task worthy of Solomon, but you must do it. What you preserve is far more valuable than the employee you fire for violating company rules. What you preserve is the company's image and reputation.

Unparalleled integrity is not at odds with success. Rather, you will find that as your reputation for strength of character becomes common knowledge, others will flock to your side, sometimes from unexpected places. But remember that even highly principled people sometimes make a wrong turn. If you do, be assured that correcting it can still yield a positive outcome. An example of a wrong turn later corrected is Intel's initial decision to ignore a minor "bug" in a new computer chip. Although the flaw would affect very few computer users, when the word got out there was pandemonium. Intel did an about-face and offered to replace the chip for anyone who wanted a new one. It was expensive, but in the end it was the right decision. ■

Keep Control by Giving It Up

Clinging to power is a temptation that is hard to resist. Yet, sharing power is the only way to open an enterprise to its full growth potential. Replacing autocracy with partnership releases human potential. Remember that your power derives mainly from being able to inspire others. Don't assume that no one else can match your own ambition, competence or vision.

Make sure your advisors are honest, independent and perhaps even smarter than you. Condition them to tell you what you need to learn, not what you want to hear. But never let them forget that you are the person who is ultimately responsible for the toughest decisions.

Micromanaging Is Not Possible

From a practical point of view, it is simply not possible for you to run a complex company by micromanaging it from behind your executive desk. It may sometimes seem that autocracy pays off, but that is true only in the short term. If you are cold-blooded enough, you can terrify people into doing anything you demand of them, but tyrants, political or corporate, will eventually become so isolated that they are incapable of seeing reality. When that happens, their arcs of ambition inevitably curve south.

What you need is to be surrounded by people doing their best to achieve their goals — and yours. By challenging people with ever more responsibility and rewarding them with ever more praise, the ambitious leader can instill the kind of loyalty that empowers a work force. In fact, at a certain level, sharing control can transform the way people perceive their jobs. They sense that their fate is linked with the company's fate, which itself is entwined with the arc of ambition of their leader.

In fact, no leader of a company can ever have enough creativity, knowledge and time to make the right decisions alone. Your survival depends on sowing and reaping the brilliant work of others. By sacrificing the appearance of power, you achieve the substance — the real reward — of power. ■

Dreams and Ambitions

To attract the best, you must create conditions that allow them to pursue their own dreams and ambitions. Treat them as people free to pursue their most compelling ideas. You must recognize that a healthy balance of freedom and control sets the stage for peak accomplishment. The truth is that sharing power unleashes a new level of performance for everyone. When you enter into partnership with your key people, you will quickly discover that the whole is greater than the sum of its parts.

Change or Die

Knowing how and when to react to events is the secret to changing things for the better. The idea that you can do business at your own pace is a fantasy. Consider what would happen if you set up shop in an isolated village in Vermont serving only the local population. Suddenly a developer creates a lavish ski resort for thirty-something investment bankers. How do you save yourself? Perhaps the answer is to leave town. Or maybe you reinvent yourself as an epicurean or antiques emporium. But one thing is certain; you will have to change. Business is constantly changing whether you want it to or not. When you face tough competition, the answer is not to declare defeat, but to reorganize.

However, before you can meet the competition, you have to know what is out there. That means you must always be alert to the world outside your organization's walls. It isn't easy to know both when and how to face a challenge to your dominance in the market. You must become adept at "sensing," meaning adept at spotting trends and seizing opportunities ahead of your competitors. Thus, you become neither a victim of change nor a victim of tradition.

A more frequent challenge for an ambitious person is coping with defeat. When that happens and you fall from grace, you shouldn't assume that you have to get back in the saddle immediately. You may need time to weigh what happened and learn from your mistakes. A measured approach is the best way to increase the chances that your next attempt will succeed.

Change When Things Are Going Well

Sometimes the time for change is when things are going well. Consider the case of Sealed Air Corporation, the original patent holder for Bubble Wrap® wrapping and shipping paper. Given that the patent protected Sealed Air from competition, the company was in danger of becoming complacent. When they were still five years from the expiration of their patent, Sealed Air concluded a radical change was needed to inspire and transform the work force. Competition was inevitable in the future.

The CEO borrowed a large sum of money and paid it out as a one-time dividend to shareholders. He also dramatically increased employee stock ownership. It worked like a charm. By creating a controlled crisis (a huge debt load that required cost-cutting and productivity improvement to pay down), the company remained profitable and business boomed.

Sometimes you simply have to accept change and move ahead without regrets. If you can learn to fashion something constructive out of adversity, you will keep moving along your arc of ambition. ■

Leave Gracefully

Although few of us like to talk about it, we are not immortal. The same goes for our time as leaders. A graceful exit while at the peak of the arc of ambition is preferable to a quick slide down from the top.

A 1944 *Life Magazine* photograph captured for all time the way not to exit from the pinnacle of success. The photo depicts two military policemen hoisting a large executive chair and its occupant up in the air. Sewell Avery, then the deposed leader of Montgomery Ward, was sitting grimly in his chair as he was carried away. The military police were there because Avery had refused to obey a military wartime directive to sign a union contract. President Roosevelt ordered the U.S. Army to take over the company — minus Avery!

On the other hand, some business leaders have the sense to exit gracefully but never really leave. Sam Walton, for example, spent his retirement years cheerleading those he left in charge of his empire.

Unfortunately, some leaders not only don't leave gracefully, but they manage to sabotage the next generation. They do this by either not leaving at all or by making sure that what the next leaders need to know isn't passed on.

Those who leave while still in control are far more likely to leave a lasting legacy than those who have to be carried out. Decide how you want to exit, and when the time comes, go gracefully.

One of the most spectacular examples of a graceful exit is that of Andrew Carnegie. On the arc of ambition, he conceived and carried out his extraordinary achievements—to first get rich, then do good. He seized the moment to leave gracefully when opportunity presented itself in the form of a multimillion-dollar buyout offer from J.P. Morgan. He knew precisely when to fold his cards and pocket his winnings. But rather than spend his millions on a summer mansion, a luxurious yacht or a profligate social life, Carnegie lavished his wealth on plans and projects for the common good. Among the many millions he donated to every aspect of human betterment was \$30 million to various universities, \$56 million to building more than 2,500 libraries in the U.S. and Great Britain, and \$125 million to launch the pioneering Carnegie Foundation.

To be sure, few will reach the extraordinary heights of an Andrew Carnegie. But by following the principles outlined here, everyone can increase his or her chances of ascending to the peak of the arc of ambition. ■