

DISRUPT YOURSELF PODCAST

EPISODE 326: ZEYNEP TON

Welcome back to the Disrupt Yourself podcast. I'm your host, Whitney Johnson, CEO of Disruption Advisors, where we help you grow your people to grow your organization because organizations don't Disrupt people do. The building block of that growth: it's you. Let's start today's episode with a little corporate nightmare. You're in a hot conference room with 20 other people and they're all staring at you. Like any good dream, you're not sure how you got here, but somehow, you know, they're waiting for you to talk. There's a big graph up at the front of the room. Sales are down. Overhead costs skyrocketing. Then your manager of this little nightmare turned in their huge chair at the front of the table and says, Well, what's your plan? How are you turning this around? What's the instinct? Cut costs, fire some folks more hours, trimmed down, get leaner.

Because ultimately, if we want to survive, that bottom line number has to get bigger. That money's got to come from somewhere. But where does that instinct to cut and cut? Where does it come from? Our guest today says that instinct is shortsighted. It's outdated more than just old. It's a deadly cycle. Because cutting costs continues to come at the expense of the foundational unit, the employee. Zeynep Ton is a professor at MIT's Sloan School of Business and her new book, *The Case for Good Jobs*, is out next month. By turning almost 40 years of Six Sigma, Jack Welch-ian thinking on its head, Zeynep builds the argument that the only way to grow in those crucible moments is to spend more on the employee jobs that have dignity and progress baked into their structure will in the end lead to cut costs. Folks are happy to work, and that leads to better work. Short sightedness will kill us. Zeynep says it has been a while. The cure is the long view, the one that remembers you have real people working for you, not a program you boot up. Nothing beats a good job. I hope you enjoy.

Whitney Johnson: So, Zeynep, we usually start off with a formative story and we will still do that. But before that, I am really curious as to what was your first, quote unquote bad job. The first one you really learned to hate. If you can share that with us.

Zeynep Ton: You know, I don't think I had any bad jobs, to be perfectly honest with you. My first job was my dad had this tiny apparel manufacturer, and I worked on the line during the summer, and it wasn't a bad job. I was just very bad at it. And then I was I worked at the American Stock Exchange one summer, but really, I've been pretty fortunate to not have had a bad job.

Whitney Johnson: Which makes me wonder, because usually when people find themselves dedicated to an idea over the course of their life, there are some experiences that they had that made them care deeply about this topic. So, it wasn't a bad job; was it a good job?

Zeynep Ton: You know, actually what made me care about this topic was I'm an operations person and I started studying operational problems at retail stores and inventory related problems. And these problems were very expensive. They were costing companies millions of dollars. When I looked into why these problems happen all the time, I found one of the answers in high employee turnover under staffing. But then I started interviewing workers and Whitney, when I interviewed workers, I realized that the America that I had been experiencing until then was so different than the America that they had been experiencing. They were working multiple jobs. They couldn't sleep. They were constantly thinking about whether to pay rent or their, you know, children's school supplies. So, they were having lots of bad jobs and my heart kept saying, I think you should move a little bit more toward this intersection of operations and people management.

Whitney Johnson: All right. So, I want to go back and then we'll go forward. You came to the United States from Turkey on a volleyball scholarship. I read that you didn't speak any English when you came to Penn State. Can you talk about what that sport and that experience mean to you?

Zeynep Ton: Yes. So, one of the things is that I barely went to high school because when I was 15 years old, I decided that I would leave home because in my hometown there weren't any good volleyball teams. And I want to move to Istanbul to play volleyball at the best volleyball team. But that meant transferring from a really good school where I learned English in middle school to a mediocre high school where I barely went to high school. So, when I came to the United States, I could read and write, and I had a high enough score from the TOEFL to get in but I couldn't understand people. But what I did have was 12 teammates who were like my family and that enabled me, I think, to have to survive.

Whitney Johnson: What do you love about volleyball?

Zeynep Ton: Oh, there are so many things that I loved. I mean, I love the competitive spirit. Obviously, I think a lot of athletes will say that continuous improvement, which is something that I study in my work now, too, but it's the team. To be part of a winning team, to have teammates that you can count on. It's such an amazing feeling and I think most athletes who are in team sports will say the same thing.

Whitney Johnson: Were you scared, though, when you left your hometown at 15 to go play volleyball in a completely different part of the country?

Zeynep Ton: Yeah, I remember going to Istanbul. My mom took me to the high school. I had never seen the high school before. I just knew that they had a very good volleyball team. We entered and I saw the dorm that I would be staying in and I think there were 436 or 32 of us in this one huge room. So, I think at the age of 15, I wasn't really scared. I didn't know what I was getting myself into and it turned out to be fine.

Whitney Johnson: Yeah, you just knew you wanted to play volleyball and you were going to figure it out. I was.

Zeynep Ton: Yeah. And I think it was the same thing with the United States. You know, I came here with one luggage. I had never been to the United States before. I had never seen Penn State before. And I came it was the first you know, the second day of our pre-season practices started. But you come, you adapt, you adjust and try to figure it out.

Whitney Johnson: All right. So, 2014 saw the release of your first book, *The Good Jobs Strategy*. I love that title. Can you summarize the strategy for our listeners?

Zeynep Ton: Yes. So, when it comes to frontline businesses like call centers, retail stores, restaurants, even factories, so many leaders think that they can't afford to invest in their workers. Right. It's just for them to be able to offer their customers low prices and make money. They must pay their employees as little as possible and live with high turnover and the poor customer service that comes with it. And what I saw in my in my work was that that tradeoff between, you know, low prices and investment in people was a false trade off. There were companies that were able to win with their customers and through low prices and offer good jobs to their employees and great returns for their shareholders. So, I ask, what do they have in common? And of course, what they had in common was like my volleyball team, which is a winning team that set up to succeed. So, part of the good job strategy is having that great team, which means you invest in your workers as much as possible, higher than market pay, career paths, stable schedules, high expectations so that they can focus on the job, and they stay with you. So, investment in people is part of the good job strategy. But the secret sauce of the good job strategy, and this is where operations come in, is making a set of integrated choices that make sure that your employees are as productive as they can be and can contribute to the company's success as much as they can.

Let me give you one example of a company that does this. So, Costco, which we all know, you know, one of the world's largest retailers, a typical Costco worker, makes \$26 an hour. This is almost \$10 an hour more than a typical retail worker and almost all Costco managers are promoted from within. You know, they have stable schedules, etcetera. But Costco doesn't just pay its workers more. They make sure that their workers' work is worth more. For example, if you go to a Costco store, you're going to see a lot of people because unlike what people say, lean and mean is not efficient. You know, Costco operates with Slack. They have enough people to be able to do a good job to make sure that the shelves are always stocked, to make sure that people are always flowing through the checkout as smoothly as possible so that people have time to experiment with different ways of displaying merchandise, to drive sales, different ways to reduce costs. And because Costco workers are more productive and they can contribute more to companies' sales and costs, Costco can pay them more. So, it's a system; not just 1 or 2 things. Creating a highly productive, highly motivating system with good jobs.

Whitney Johnson: That's so powerful. So, let me ask you. So, you just told that story and I suspect that story is something that you start with when you are presenting your strategy to a new audience. You're convincing a bunch of business people that it's worth taking a hit in the short term. Things might be tough now, but don't cut wages and hours. Instead, raise them. Grow your people. So, in a first conversation with an executive who's facing down their own pressure to cut costs ASAP, in addition to telling that story that you just told about Costco, what else do you say? What does that first conversation look like?

Zeynep Ton: Yeah, that first conversation is oftentimes, can you win with your customers if you don't invest in your people? Right? Can you win with your customers if you can't execute in the front lines? If the people who are meeting your customers are not able to execute, if they're not empowered, if they don't have time, if their pay is so low that they can't focus on the job, can you win that way? Right. And, I think, oftentimes the answer is no. Of course, when a company is in a vicious cycle of low pay,

high turnover and poor performance, there are so many different things that they would need to change. And the next conversation is, is this doable in a reasonable amount of time? Because as you mentioned, business leaders have short term pressures. They can't just think about the long term. Of course, we want them to be long term thinkers, but they do worry about the short term. And now during the last couple of years, there are several examples of companies that have made dramatic changes to how they operate, to improve jobs, to improve performance. And that change was quite meaningful for the leaders who could implement that change.

Whitney Johnson: Is there a company that you've seen recently that implemented the changes that you suggested? What happened and how quickly? Were they able to see the results?

Zeynep Ton: Yes, there are a number of companies that have implemented this from a small restaurant business with two stores to Sam's Club, which is a \$60 billion company. And how long it takes depends on how deep they are in the vicious cycle and many other things. But at Quest Diagnostics call centers, for example, the changes resulted in positive outcomes, and all the positive outcomes are similar. Lower turnover, higher productivity, higher customer satisfaction and sales. So, Quest Diagnostics started achieving these outcomes within 18 months. At Sam's Club, a huge retailer, they started seeing some outcomes within two years. Must be a smallish retail chain in the Northwest within three years. Again, dramatic decrease in their employee turnover, high increase in their employee productivity, and they're totally winning with their customers. So, they achieved higher sales, higher sales, customer satisfaction as well.

Whitney Johnson: Yeah. The course that comes to my mind when I hear you say that is, is, you know, how do you present your business case? Is that question of are you winning with your customers right now? And what if I could help you win with them even more? That's the question that you ask people, right?

Zeynep Ton: That's the question I ask people. In a business that's changing all the time, highly competitive in retail, you know, the reason that Mud Bay, this pet store chain, implemented this is because e-commerce Amazon, you know, was taking away so much sales from them. So, for you to be able to survive and grow, you have to offer a compelling reason for your customers to come to you. Most original barbecue, a small restaurant, you know, two units of a restaurant chain. They implemented this because Covid was really tough on them. They lost a lot of customers. They lost a lot of employees. So, for them to be a reason for customers to come, they had to offer great food, consistent food. You can't have consistency. You can't have great service if your employees are changing all the time. If you're operating with 100% turnover. Quest Diagnostics, they were again losing some of their customers because the call center reps couldn't answer the phones on time or couldn't solve the customer problems. So, do you want to win with your customers? And when I look at companies, Whitney, like Four Seasons, Costco, QuikTrip, that started with good jobs from the beginning they all started that way because they were so customer centered. For them, you know, when they thought about, what is the most important duty of a business, it was to create great value for their customers. And once creating value becomes your, you know, your North Star, then of course you want to execute well. Of course you want to invest in your people. Of course you want to set them up for success.

Whitney Johnson: You had a question that I am trying to remember exactly what it was, but it was a very powerful question of it doesn't cost me \$26 per hour. Going back to the Costco example, but it's how much value is going to get created because I'm paying this person \$26 an hour. But you said it far more pithily. How did you say it?

Zeynep Ton: Yes, Costco designs the work so that employees work is worth more is what I said. But I'll give you one anecdote of Jim Sinegal, the co-founder and longtime CEO of Costco, comes to my class every year, and every year my students ask him the

same question How could you pay your employees almost double what others were paying from the beginning? From the very first store when you were a young business, right? There are so many entrepreneurs who may be listening. And he said, it's just so obvious. It's good business. And he said, "You know, \$0.70 of every dollar that we spend to run our company goes to people. It's a people business. If you don't do that, well, then you're going to screw up your business pretty badly." And during the last, you know, 20 years, I have seen just how badly the million ways in which companies screw up their business when they go cheap on their most important input to their production. Because when pay is low, then turnover is high. So of course, one of the big costs is direct employee turnover costs. We've seen companies change their entire roster in a year, 100% employee turnover, the direct cost of employee turnover, hiring, training, onboarding, time to full productivity can be expensive, but those pale in comparison to lost sales mistakes waste low productivity. You know, how many businesses have we seen in the last few years with closed signs because they can't have enough employees and those costs, those financial costs pale in comparison to the competitive costs. If you can't you know, when you operate with high turnover, companies can't implement very basic management practices. They can't hire the right people and train them well; they can't empower their people. They can't manage capacity. And this is a very uncompetitive system that can't win with customers and that can't adapt to changes. And that could be a you know. That would be a lethal outcome for some companies.

Whitney Johnson: Wow. It's fascinating how it sounds so simple and yet it's so difficult to do.

Zeynep Ton: It sounds so simple. It's not as difficult to do. It's not easy, but it's not as difficult or as risky as we may think. I think what, you know, for decades generations of leaders have been taught that labor is just another cost to production; market pay is the right pay; lean and mean is what drives efficiency. I think the biggest problem we have is that so many leaders can't even imagine operating in any different way. And what makes that imagination even more difficult is that we teach our students, we teach business leaders to make all their decisions, you know, all else being equal siloed analysis, looking at historical data. And that makes it even harder to imagine it operating very differently. When Sam's Club adopted this system, John Furner, their CEO at the time, was told don't raise pay because historically if you raise pay, turnover didn't improve. We don't have the money for it. He realized there's no law that says when you raise pay, this is what happens to turnover. It's up to me as a leader and up to us to make that work. But looking at just historical data, what happened in the past and not being able to imagine a better way is a huge barrier.

Whitney Johnson: So, I'd love to talk about the Good Jobs Institute, which you founded and you're currently the president of Institute is a very powerful word. Why did you choose that word and what does the Institute do specifically?

Zeynep Ton: I'll first tell the story of how this happened, because after my first book came out, to my surprise, I started getting a lot of requests from company leaders, from huge companies to a tiny dog walking business saying, "We've read the book. We find ourselves in that vicious cycle that you're talking about, and we want to get out. But how do we do it? Can you help us?" My answer oftentimes to them was, I can't help you. I have four kids. I have a job. But then one day, Roger Martin, we both know Roger. He came to our house for dinner, and I had just told him the story about how I talked to this retail leader, and he said, "What did he ask you? And I said, he asked me if I could work with him to implement the good job strategy. And he said, what did he what did you say? I told him I said, I don't know how to do it. And I don't you know; I have a job. And he said, that is such a bad answer, he should help him. And I said, I don't know how. And he and I said, well, if you help me, then I might try helping them. So, Roger and I started this, and he said, I'll help you. So, he is the chairman of the institute. I am the president. And Sarah Kalloch, who was my student at the time, my star student. I asked Sarah if she would join me to start something and we wanted to make it a nonprofit. We wanted to make it a nonprofit because I wanted to be able to ask for help from a lot of people. And I didn't know how to do this. And I wanted to get as much help as possible. And our goal, we called it an institute.

Just to signal to the world that we're doing this to make a big difference in the world. And our goal is to convert 10 million bad jobs into good jobs.

Whitney Johnson: Where are you in your goal?

Zeynep Ton: This is by 2027. So, the pay for frontline workers has been rising during this period. But that has, you know, that has to do with more with the economy. We are slowly getting there. I think we have not come to that inflection point where there are enough companies to inspire others. So, our theory of change that they call in the nonprofit world is that if you can have a couple success stories, then that's going to inspire others to change. So, where we are now, we have those success stories and those are told, some of them are told in the book. And we hope that this will inspire more business leaders to do this and the next 5 to 6 years will be critical for us.

Whitney Johnson: So, from an S-curve perspective, you would argue that you're still at the launch point, but there's a lot of momentum building, and you feel like you're getting close to hitting that tipping point and moving into the sweet spot. Yes. Yeah. Okay. Yes. Love it. All right. So, as you think about the Good Jobs Institute, is there any success or upside surprise around creating this institution that you would say is hidden?

Whitney Johnson: We don't yet know.

Zeynep Ton: I don't know if this is success, but people who work in the institute are all my former students and people who I have taught before, who I have worked with before. And it's so meaningful for me to be able to work with such great leaders and help them help companies. In terms of what. May have been a surprise. You know, during the last six years, we've had dozens of workshops with dozens of companies. And one of the things that has been so surprising and meaningful is to see, you know, system change is hard. And so many, so many people in the organization. Yeah, we have seen change before, and they have changed fatigue. And, you know, there's always some resistance. But it's been amazing to see how many leaders at all levels want to make this change because this change appeals not just to their heads, right? It appeals to their hearts because they want to win with their customers. This is a great business, but it also appeals to their hearts. You know, when workshop after workshop, they see data on what percentage of their frontline employees, full time frontline employees are not making a living wage. There's silence in the room because when you don't make a living wage, you can't sleep like it is. You can't live. It's very difficult. You have no control over your life. And no leader I've met so far is proud to see those data and they want to change.

Whitney Johnson: So, I asked you a question about your worst job, and you said that you actually have had good jobs, but you saw other people in in the course of your research around retail operations, you saw many people were having bad jobs. Is there a job that has been the most rewarding for you? I want to say outside of what you're doing right now, but maybe you can say right now, but what other jobs have been truly rewarding for you?

Zeynep Ton: I mean, if I'm perfectly honest with you. Whitney the job that's most rewarding to me is to be a mother of my children and to I mean, it's great. That is the hardest job. Yes, it is. Because you you're. And some days.

Whitney Johnson: It's the worst job.

Zeynep Ton: Yes, some days it is the worst job and you go through ups and downs and nobody gives you a playbook for exactly how you're supposed to manage and each child is so different. So that may be the one.

Whitney Johnson: The best job. Okay, so how old are your children? What are their ages?

Zeynep Ton: My oldest is 17 and my youngest is nine. He's going to turn ten in just a few weeks.

Whitney Johnson: So actually, I'm going to ask you to do something that I don't know if you can do it, but I'm going to ask, you know, I want you –

Zeynep Ton: To forgot even what the question was before. Yeah. Ask me about.

Whitney Johnson: Well, I asked you what your best job has been, and you said being a mother, which I love. So, the thread that I want you to pull through is if you apply your theory or your system to that of being a mother, why is this the best job?

Zeynep Ton: Yeah, and I will apply my theory in terms of, you know, in the good jobs strategy, there are four operational choices: focus and simplify, standardize and empower, cross train and operate with Slack. And of course, at the center of this is invest in people. I think we may be using all of those choices in our life; you know, focus and simplify. We're very clear about spending family time and not doing too many different activities. My kids don't play ten different sports and do this and that because we have dinner together as a family almost every single night. We spend weekends as much as possible together. So, we don't do what everybody else is doing, like companies that I've studied. So, we try to focus and simplify as much as possible. Cross train. My husband and I are very cross trained so that we can, you know, if I have something he can chip in, if he has something that I can go. And there's a ton of standardization. I mean, I make the same cake for every birthday, every child. I send the same email to the same people. My best friend comes over Tuesday night every single week to have dinner. So, we have standardized practices and then we empower our kids. Like our oldest 17. He doesn't have a job this week and he's taking care of our younger two children. Yesterday, they went to the Harvard Stadium to run the stairs and operate with Slack. That one operational choice. I don't know how we would do without operating with Slack because otherwise burnout is so common. Our way of operating with Slack had been previously before Covid to have my dad here during my teaching semesters. And now that he's not healthy, I'm just realizing what a gift it was to be able to have a family member be with us and help us. And but we try to have. Help as much as possible so that we can spend the time with our kids and with our jobs that we love because they're good jobs.

Whitney Johnson: I want to circle back to the student employment. How do you pick your team? How do they find you?

Zeynep Ton: So, Sarah has been there from day one. We started the Good Jobs Institute together. She was my student. She was taking two of my courses. She did a project with me, so it was easy to pick her. I don't know why she picked me. Um, and. And after Sarah, it has been students who have been interested in this topic and who have taken my course or one of the students wasn't actually an MIT student, but an MIT associated school. And she was so interested that she did a summer project with me, and she was amazing. Um, so it's interest desire to make a difference in the world. Obviously, we are a nonprofit. You know, we don't pay what McKinsey or BCG pays to people who are working with us, but we try to make the job a good job because of course we pay enough like to make sure that people can take care of themselves and have control over their lives. But the job is also quite meaningful. We get to spend so much time with company leaders from little businesses to huge companies and have them change the way that they treat their workers. They design their operations and that is very meaningful. And it's also a tough problem. So intellectually it's a very challenging problem to solve too, because when we work with companies, it's not 1 or 2 things they need to change. They it's a paradigm shift in thinking. So, we try to adopt, you know, help them adopt this paradigm

shift in thinking. So, we need to bring so many functions to the table. You know, if we're working with a retail retailer, we need to bring in merchandizing logistics, asset control, finance operations all together. And that is a challenging intellectual puzzle to solve. And I think that's motivating for all of us too.

Whitney Johnson: Yeah. So one of the questions I'm having I was going to ask you, if someone wants to start doing this work, they can read your books and you've got your new book, *The Case for Good Jobs*, which I have right in front of me. So that's probably a starting point. Um, it sounds like there needs to be a lot of pre-work that happens before you start to do the work, which is getting the buy in from people of, okay, here's the intellectual ascent has to start first. And like you said, not only the intellectual ascent, the head, but also the heart of having the will and the desire to do this work. Um, I guess my question would be in addition to that pre work that needs to happen, if there were just one small thing that a person could do that, they wanted to start testing this for themselves, what would you suggest that they do?

Zeynep Ton: I think that's it's hard to test it for where you're thinking about the system change. Um, testing for yourself is very difficult because so many different things have to change. Um, but. Each person could do certain things within their domain to make small changes. At a minimum, every function in the home office could start thinking about how this ask from the front lines is affecting their ability to serve the customer. How is this affecting their job? How is this affecting their work? In addition to what does this do to my sales and costs even starting to think that way? Yeah, may, may, may start making some changes inside the organization.

Whitney Johnson: Okay. So, I want to just make sure I heard you correctly, basically. One simple question of how will this policy or decision that we're making impact the person on the front line and their ability to do their work? Just that simple asking of that question of understanding how this plays out gets you started.

Zeynep Ton: Yes, it could. Yes, it could get you started. And one of the ways that we get companies started is we have a two-day workshop with leaders from different functions. And we have some front-line leaders, front line managers as well. And in that two days, we try to bring one urgency to change urgency in terms of why we need to change. And the second thing that we try to do is to create alignment around what needs to change, how different functions from logistics to product design to merchandizing to marketing need to change, to be able to adapt this school system so that they can win with their customers.

Whitney Johnson: Love it. So, if people want to reach out to the GoodJobs Institute, where do they reach out.

Zeynep Ton: [The Good Jobs institute.org](http://TheGoodJobsinstitute.org). They can visit our website and then find how to reach out. Sarah Kowalik is our executive director and she's fantastic. So, you can reach out to Sarah.

Whitney Johnson: All right. Just a few final questions. Do you still play volleyball?

Zeynep Ton: Not that much. Once in a while, my daughter wants to play volleyball, so I've been doing some volleyball playing with her.

Whitney Johnson: And I don't know much about volleyball, but what position did you play?

Zeynep Ton: I played right side hitter. I'm a lefty. I played right side hitter. Okay.

Whitney Johnson: And how tall are you? Of course. Now I want to know because volleyball players seem to be tall.

Zeynep Ton: Yes. I'm only 5'10". We visited Penn State a couple of years ago, and the person who was playing in my position was 6'6".

Whitney Johnson: But. But compared to 6'6", you're right. That's not very tall. Yes. All right. So, I'd like to ask you a question, which is what's an S curve? So, as you know, we use the S curve to think about how group, not how groups change, but how individuals change. And so, what's an S curve that you've jumped to recently? Doing something new?

Zeynep Ton: Um, doing something new. So previously we have spent when we work with companies, our whole thing was around creating alignment and urgency. Now we're trying to figure out how to help them make choices. And this is this is not something that we have done much before and we're just starting. And we want to create a product that enables companies to do this. And that's in the very in the beginning of that at GoodJobs Institute. And I'm super excited about it.

Whitney Johnson: So, you're not only creating the urgency and the alignment, but like how do you make choices around this?

Zeynep Ton: Exactly? How like if you're going to reduce their product variety, how much should you reduce? Why should you reduce it? How does it affect the other parts of the system? What else needs to change along with that but helping companies make these choices in an integrated system?

Whitney Johnson: So Zeynep, as we wrap up, what's been useful to you in this conversation?

Zeynep Ton: I think thinking about how to apply this to my family and conversations about what's what has been a good job and what hasn't been a good job for me, I haven't done that type of self-reflection before, and I'm going to think about that a little bit more. Um, and having our good jobs institute and an institute, I'm going to reflect more on that too, because we knew we wanted to make it a nonprofit, but we called it an institute. But we don't have ambitions to have hundreds of people working there.

Whitney Johnson: So, what does it mean?

Zeynep Ton: Right? Yeah. So that is one thing that I need to reflect on. There's nothing I can do to change the name, but.

Whitney Johnson: It's a good name, so no need to change. Um, one of the things I noticed as I was reading your epilog is you talked about Kent Bowen and I think and you gave him a wonderful tribute and I would love for you to talk about him just briefly, because one of the things I think we all realize is that we climb the curve by ourselves, but we don't do it alone. There are people who come into our lives who are willing to support us and to encourage us and to challenge us. And I saw that you talked about Kent Bowen, who I have tremendous esteem for, and I would love for you just to talk about him for a minute and how he's influenced your life.

Zeynep Ton: Yes, I think about the best leaders and what they do is they are amazing at developing people and creating institutions. And if you were to ask me one person who made the biggest difference for me, I would say Kent Bowen. And he the amount of time that he invested in developing me and so many others. So before. Before I started teaching at Harvard Business School, Kent took me to my first Toyota visit. He said, you cannot teach operations if you haven't seen a Toyota factory. And then he took me and my colleague who were just starting to teach two full days in the small room, and he went through the first

nine cases with us so that we would be comfortable. Who makes that type of investment in people? And not only did can't make a huge difference in me in terms of showing me what a good leader does, but he also taught me so much about what a good business is. So, when I was a young doctoral student in late 90s, early 2000s, everybody talked about Jack Welch and General Electric, and people revered him and his principles. And I remember Kent telling me at the time, you know, someday somebody is going to write a book about how much value those principles destroyed. And it turned out somebody did write a book, you know, recently about that One day somebody was presenting about revenue management and can't ask this question, why are you focusing on getting more money from your customers, where you should be focusing on running your business really well. So, all of these things I didn't appreciate as much at the time, but Kent taught us how to be customer centric, how to be value centric versus financial centric. And there is no way that I can, you know, pay my debt to Kent, and there's no way I can express how grateful I am to have had him in my life.

Whitney Johnson: It's really beautiful. Very moving.

Zeynep Ton: Was it okay?

Whitney Johnson: It was beautiful. I'm tearing up just a little bit. It was beautiful.

You know, during these interviews, I have a chat open with our producer like that earpiece news anchors have. And he wrote to me, Alex wrote to me about halfway through and said, I can't believe how simple this all sounds, right? Pay your folks better, listen to them and give them what they're asking for and you'll make more money. Simple as that. But if we're back in that nightmare boardroom from the beginning of this show, can you imagine pitching that? Actually, let's take a bigger hit. Just trust me. But that's Zeynep's whole thing, right? I'll figure it out. CEOs don't believe me. I'll write a book and bring the good jobs strategy right in front of them. Okay, but how am I going to reach every business that wants better jobs? What about the Good Jobs Institute? Who's going to work there? Well, a lot of my students did say they were interested. We talk a lot on this podcast about building that foundation where you truly believe you can figure it out. Having that be your default in moments of crisis, it takes a lot to be confident genuinely like that. And it's refreshing to hear from someone who's had that foundation their entire life, though. What's possible when you're the type of teenager to take a volleyball scholarship in a strange country with a strange language because you've outgrown the competition back home.

It's that kind of thinking. Why not that I want to take away from my talk with Zeynep. Why can't the solution be better jobs? You don't believe me? Well, believe me, I'll figure it out. And that's another thing that I want to touch on. Zeynep doesn't believe blindly. I mean, she had example after example where the good job strategy worked, and the lean and mean strategy spiraled into the grave. The proof is there. It's just we're so programmed by a capitalist instinct to cut and cut that we get those blinders, she believes because she's seen it work. She's seen real smiles, real numbers, tangible success because she did the work. For more on new ways to think, there's my talk with Roger Martin, **Episode 268**. The chairman of Good Jobs Institute, he's another iconoclast always asking why something has to be the way it is. On bringing true passion into the workplace and supporting its growth. There's Marcus Buckingham **Episode 279** on that core essence, that core truth of I'll figure it out, There's fellow Turkish emigre Ozan Baro. **Episode 173**. Thank you again to Zeynep Ton and thank you for listening. If you enjoyed today's show,

hit subscribe so you don't miss a single episode. Thank you to our producer, Alexander Turk, the person who was talking in my ear. Production assistant Ange Harris and production coordinator Nicole Pellegrino.

I'm Whitney Johnson

and this has been Disrupt Yourself.