

Living the 21 Laws of Leadership

The Law of Explosive Growth To Add Growth, Lead Followers — To Multiply, Lead Leaders

“It is only as we develop others that we permanently succeed.”

—Harvey Firestone

Application Guide

Papa John's Pizza has experienced the *Law of Explosive Growth* — here is their story. In 1984 at age 22, John Schnatter started his own business. He began by selling pizzas out of a converted broom closet at Mick's Tavern, a lounge that was co-owned by his father. Although he was just a kid, he had a tremendous amount of vision, drive, and energy — enough to transform that small pizza shop into a success. The next year, he opened his first store next door to Mick's in Jeffersonville, Indiana. For the next several years, Schnatter worked hard to build the company. In time, he opened additional stores, and later he began selling franchises. By the beginning of 1991, he had 46 stores. That in itself is a great success story. What happened during the next couple of years is even better.

In 1991 and 1992, Papa John's turned a huge corner. By the end of 1991, the number of stores more than doubled to 110 units. By the end of 1992, they had doubled again at 220. The growth has continued dramatically. In early 1998, that number surpassed 1,600.

Schnatter had always hired good people for his staff, but in the early years he was really the sole leader and primary driving force behind the business's success. During the 1980's he did not dedicate much time to developing other strong leaders. He focused more then on growing himself as a leader. Schnatter believes that his greatest challenge from the time he was 26 until he turned about 32, was developing the people around him who had potential. Schnatter knew they needed coaching and mentoring, but was so busy growing himself and growing the company, he did not develop those people. As a result, he lost them. Schnatter knows now, and believes that his job is to build the people who are going to build the company. This is the *Law of Explosive Growth* . . . investing in people who will multiply your results.

In the early 1990's, Schnatter began thinking about what it would take to really grow the company. The key was leadership. He had already begun to grow as a leader personally. Having made significant progress in his own leadership development was now opening the door for him to attract better leaders to the company — and to give them the time they needed. That is when he started recruiting some of the people who currently lead the company, including Wade Oney, now the company's Chief Operating Officer. Wade had worked for Dominos Pizza for 14 years, and John believed he was one of the reasons their company had been so successful. When Wade left Dominos, John immediately asked him to be a part of the Papa John's Pizza team.

Schnatter had already built a company capable of creating good pizza — and earning a healthy profit in the process. Now their goal was to build a bigger company. Together, they started talking about what it would take to be capable of opening 400 -500 hundred new restaurants a year. That is when they began to focus their attention on developing leaders so that they could take the company to the next level. Says Oney, "The reason we are successful in the marketplace is our focus on quality and our desire to keep things simple. The reason we are successful as a company is our good people."

Since the early 1990's Schnatter and Oney have developed a world-class team of leaders who are also focused and committed to the *Law of Explosive Growth* — developing new leaders. Their growth has been tremendous. In 1997, they opened over 350 new restaurants and in 1998 they anticipate that number to be over 400. They are also implementing plans to launch Papa John's internationally. They do not plan to stop until they are the largest seller of pizza in the world.

"The challenge now," says Oney, "is developing the next leaders. The company is in great shape financially. [Acquiring] real estate is always a battle, but we can succeed there. The economy is never a deterrent when you offer customers a good value. The key is developing leaders. You do that by building up people." This is the *Law of Explosive Growth* in action.

I. Assessment

The following questions will give you insight as to how well you are living the *Law of Explosive Growth*.

- A. Do you have an intentional plan for personal leadership development that you are following on a regular basis?
- B. Have you received leadership training that has been helpful to you? What made the helpful training so valuable to you?
- C. Does your organization attract quality leaders?
- D. Does your organization invest a generous amount of money into leadership training, or training of any kind?
- E. Has anyone ever joined your organization because of a reputation of quality personal and professional training you offer?
- F. Have you identified the core values, skills and character traits you want your people to possess?
- G. Is your organization currently growing by addition or by multiplication?

II. Application

★ *Developing followers (workers, employees, etc.,) adds growth to your organization, one at a time. Developing leaders within your organization multiplies your growth, many at a time.*

Do the math, but keep your eyes on the big picture. Leaders often do not develop others for a variety of reasons such as "no time," "I do not know how," or "I just do not see the value," (a priority issue.) Some leaders are willing to make time, know at least the basics, and see the value, but still do not develop leaders. It is because they look at the modest beginnings instead of keeping their eyes on the big picture of long-term potential.

Leaders will say "I need leaders, and I need them now." They are not willing to pay the price of development: time, effort and money. If you look at the beginnings there is little difference between addition and multiplication. For example, $2 + 3 = 5$; and $2 \times 3 = 6$. Not much difference, so some leaders will not make the effort. It is easier to add than multiply, and since addition does cause growth — why bother? When you look ahead a little watch what happens. $2 + 10 = 12$; and $2 \times 10 = 20$. Look out even further. $4 + 100 = 104$; and $4 \times 100 = 400$! Now you can see my point! Multiplying leaders causes explosive growth.

Let us do this math with leaders versus followers. If Papa John's has four leaders and adds 100 followers, the potential is 104 restaurants. If Papa John's develops 100 leaders who then multiply themselves into just 4 other leaders each, they have 400 leaders, the potential is 400 or more restaurants. How does this work? Developed leaders can develop other leaders. Papa John's can not put 400 people in a classroom and get the same results!!

A. Establish the right environment

1. Develop a leadership _____.

Developing a leadership culture starts with a leader. Senior leadership must first be leaders themselves before they can develop a leadership culture. The leader talks about leadership, studies leadership, and passes on what he/she knows about leadership to others.

Acknowledging an organizational culture is not about being a weird fanatical cult of some kind. Culture simply refers to your values, beliefs, priorities, and your way of doing things.

★ *A leadership culture is one that champions leadership by rewarding leaders over followers, and rewarding leaders who develop leaders over all others. It is not that they are a "better person" than anyone else, but their value to the organization is higher because their productivity is higher. A leadership culture champions the cause of leadership itself, and does everything possible to enhance and develop the leaders it has. A leadership culture knows how to recognize a leader and is constantly on the look out for good ones to hire.*

Developing a leadership culture includes an openness and receptivity to new ideas and innovation, especially from outside your own organization.

Organizations that develop a leadership culture often have an intern program where they train others in leadership, even those that may not stay on with the organization such as a Junior or Senior in college. Why? A leadership culture *must* develop leaders — it has no other choice, by its very nature that is what it does. It finds a way.

Think, eat, and breathe leadership! Over the top? . . . I do not think so. Every organization has its own culture, there is no exception, if you exist, there is a culture. What is the culture of your organization? In what way does your culture help you advance to the next level? If your organizational culture is other than one of leadership, in what ways could a leadership culture help you move forward?

2. Go after the _____.

It is hard to make apple pie out of lemons! It is hard to make eagles out of turkeys. With some effort you can develop beautiful swans out of ugly ducklings. How? Look for the potential.

It is valuable and wise to make leadership development available to everyone in your organization, but important to invest more in the ones with the greatest potential. They will give the greatest return.

Be sure to review the *Law of the Inner Circle* to refresh your thinking about how to attract, select and keep the best people. For further practical guidelines applied to this law, the following are 5 key characteristics you want to watch for to know the potential of an individual to be developed as a leader:

- ✓ The person has influence with others. (It does not matter how much or little.)
- ✓ The person is hungry to grow as a leader.
- ✓ The person is receptive to input and guidance from a "mentor" leader.
- ✓ The person's character and general competence stand out as excellent.
- ✓ The person is willing to pay the price of commitment.

3. Devote yourself to the _____.

Leadership development is not a quick fix, or add-water-and-stir proposition. It is not a

one time event, like a seminar or a conference, (although seminars and conferences are a vital part of leadership development.)

Do not compromise the process. Do not sell out by attempting to do in 30 days what needs an entire year or more. Invest money into the training process, and be generous. You cannot develop leaders without financial investment.

4. Keep growing _____ as a leader.

This is vital. When you stop growing as a leader, the leaders around you stop growing. Soon after that, your organization will stop growing as well.

B. Establish a developmental process

1. Commit to a _____ rather than a _____ process.

The objective is not that of a typical corporate training program that consists of perhaps a two-day seminar, or a week-end retreat. Do not misunderstand, any training is valuable! To get the job done most effectively, and to obtain the greatest results, transformation is far superior to transaction.

A transactional process is not bad or wrong, but produces less results because its emphasis is an "exchange," or primarily one of business. In other words, "We'll train you in this specific skill, so you will perform better for the good of our organization." Again, this is not bad or wrong, but there is a better way.

A transformational process emphasizes the person over an "exchange" or "business." The transformational process is more about an investment in the personal and professional growth of the individual as a person, rather than an "employee." It is based on relationship more than exchange, and growth more than the bottom line of business. Leaders who develop leaders know that when you invest in people in this way, the returns are always higher because they come back mixed with gratitude and loyalty rather than obligation and duty.

2. Communicate that you believe in your people and have their _____ at heart.

As you have seen in other leadership laws, believing in your people and having their best interest at heart is essential to establishing the trust and respect needed to maximize the process.

3. Design an excellent curriculum, but focus on _____.

"Top-Flight" curriculum is very important, but pales in importance compared to individual

growth. In other words, the best curriculum in the world is worthless if your people do not grow and change as a result.

Books, audio-cassette training series, conferences and personal coaching / mentoring function as tools to help you achieve a specifically designed set of values, skills, and character traits that you want embraced by your organization. Set the values, skills and character traits first, then select "curriculum" as the "road" to achievement.

For example, your set might look like:

- ✓ Integrity
- ✓ Customer service
- ✓ World class leadership
- ✓ Innovation and creativity
- ✓ Leader in the Marketplace

(Each one of these needs 3 to 5 short bullets underneath to provide a framework for clarity and so each is measurable.)

You then align your training avenues and resources ("curriculum") to achieve these ends. Measuring personal growth is the key. If there is no progress, the training (development) has little value.

Another important development principle is to focus on enhancing each person's strengths rather than correcting their weaknesses.

4. Make the mechanics of the process _____, _____ and highly _____ oriented.

The "mechanics" refers to the structure of the training. Is it once a month, every week, does it require travel etc? Do not make it difficult or complicated. If all your training is, for example, on weekends and out of state you are making it difficult for people to participate. Your people are not "uncommitted" but they may have other important priorities as well. Put the training times where the people can easily access them. This indicates the priority leadership development plays in your organization.

Interactive refers to a bias for activity rather than an academic setting of lecture and no application. The more interactive (questions and answers etc.,) and the more application oriented, (OJT and action assignments etc.,) the more effective the training will be.

5. Start with who you have!

The ultimate goal is to develop eagles and let them fly. But you can not wait until you have the best of the best. Start with who you have and as they develop, together you will attract higher quality people. As this process continues, it will not be long before your first eagles begin to fly!

III. Action Assignment

1. Evaluate your current leadership development and people building process by first writing down everything that is being done, and second by evaluating the results (benefits, progress, growth etc.)
2. Establish the desired list of values, skills, and character traits you desire and assess whether or not your people in general possess them.
3. Design your training to grow your people in each of the specified areas according to their level of priority. Starting with the most important first.
4. Communicate your vision of leadership development and personal growth to the people and . . . start developing leaders!