



GETTING THE MOST OUT OF EXPERTS

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Letter from Simon Dixon, CEO

One can hardly have missed the ballyhoo surrounding the purchase of (most of) Chrysler from Daimler-Benz. Now we get to see how Bob Nardelli, (ex-CEO of Home Depot) does in the car business. However, it was the concomitant ballyhoo surrounding Nardelli's first big hire of Jim Press from the position of President, Toyota Motors USA that I found to be more interesting.

I can only conjecture how much money it took to pry Jim Press away from the cozy pasture that Toyota had him grazing in, but I would not blink if it turned out to be millions in pay plus tens of millions in stock, options and retirement reimbursements.

Is he that good? Well he was with Toyota for 37 years in the US during which time they went from a joke to nightmare as far as the domestics are concerned. But he has no record as a turnaround artist and has not really been in the trenches for many a year.

But the bigger point (and the one I wish to make) is that unless the top man at Chrysler listens and acts on what Press recommends, then his hire is a total waste of money. It is amazing to me how often people or complete companies are hired and then their recommendations are sidelined. A CEO I had lunch with recently was relating such an experience to me and said, "if you want to ignore my company's expertise you can do that for free."

When you have put a company or an employee through a detailed lengthy interview process and you have hired them on the strength of their body of previous work and experience, wouldn't it seem like a good idea to let that company or person spread their wings and do great work for you? Clear input on goals and objectives is important, but so is letting your experts use their expertise.

So maybe the lesson that we learn from Jim Press is not that he is a hundred times better than the current top-level Chrysler employees he now earns a hundred times more money than, but that maybe like "Maximum" Bob Lutz over at the surging GM, he has the star wattage to push his ideas through without them being compromised. Kudos go to GM CEO Rick Wagoner for having the courage (and intelligence) to let his expert do the job he was hired to do in largely unfettered fashion. And kudos to Nardelli if he allows Press similar latitude. It will be interesting to watch how things unfold.