

Mockler Memo Interview

Bill Pollard

Retired CEO & Chair of ServiceMaster

Bill Pollard is a graduate of Wheaton College (BA) and Northwestern University (J.D.). From 1963 to 1972 he was engaged in the practice of law, specializing in corporate finance and tax matters. From 1972 to 1977 he served on the faculty and as a Vice President of Wheaton College. Bill joined ServiceMaster in 1977, where he served two terms as CEO (1983 - 1993 and 1999 – 2000) and was Chairman of the Board, 1990 - 2002.

During Bill's leadership ServiceMaster was recognized by Fortune magazine as the #1 service company among the Fortune 500 and also was included on its list of most admired companies. ServiceMaster was identified as a "star of the future" by The Wall Street Journal and one of the "most respected companies" in the world by the Financial Times. During this period the company achieved leadership in each of its markets and substantial growth in shareholder value.

Bill Pollard is the author of the best selling inside story of ServiceMaster, The Soul of the Firm and, more recently, The Heart of a Business Ethic and Serving Two Masters? Reflections on God and Profit. Bill has been recognized by many educational and professional organizations for his leadership in business ethics and corporate governance. He received the Hesburgh Award for Business Ethics at Notre Dame and honorary doctorates from Gordon-Conwell Theological Seminary and Aurora University. The keynote speaker at the Mockler Center's recent "Salting Today's Workplace" seminar, Bill was recognized publically with a Mockler Center Distinguished Service award.

A native of Chicago, Bill and his wife, Judy, have been married for over 50 years. They have four adult children and fifteen grandchildren.

Calling & Career Choice

David Gill: How did you figure out what your calling was? Did it relate to the major you chose in college?

Bill Pollard: I majored in Business and Economics, but that was a default position, not out of a particular sense of calling. And right after Wheaton College I went to law school --- as a result of encouragement from one of my professors who was trained as a lawyer. I was admitted to a number of good schools but Northwestern University gave me a full scholarship.

Gill: What about your Christian background? Did you grow up with a Christian family and become self-consciously Christian at a young age?

Pollard: One Sunday we had a visiting preacher at our house and the afternoon discussion was all about the Lord's coming. I was seven years old at that time and for reasons I don't remember my mother said she was going to stay home that night and not go to the service. I stayed home but could not go to bed that night without resolving where I was with Jesus Christ.

Gill: After law school how did you decide to work at Wheaton College?

Pollard: I practiced law for a few years. At age 32 I was rushed to the hospital for major surgery on a bleeding ulcer. One of my clients had been Wheaton College, and the president of Wheaton was a regular visitor during a difficult recovery over three weeks in the hospital. The day before I was to be released he said, "Bill, I have been praying and I think you should leave the practice of law and come to the college. I need you and you're the guy for the job." I said, "That's the furthest thing from my mind. I have kids to support and you're never going to be able to match the compensation I'm making in the practice. But I'll talk to my wife about it."

Then after about two months my law partner said, "We'll give you a leave of absence so that you can come back anytime if Wheaton doesn't work out." This is an important part of it because it was later to lead to ServiceMaster. The Wheaton President called me back after two months and challenged me to decide. I had been praying about it and felt that maybe it was the right thing to do. I was going to be in charge of the financial side --- the college's investments, endowment, maintenance, and development --- everything but the students and the faculty. I didn't know much about some of those things and I would have to be working with Wheaton Board finance committee chair Ken Hansen, the Chairman of ServiceMaster. I didn't know him well but he was a tough guy and I didn't know if we would get along.

I want back to my office and no sooner did I get there than I got a phone call. "Hello, this is Mr. Hansen. Can you meet me after work at the College?" So I went to the president's office and there was Hansen already with the president. We shook hands and sat down and Hansen took a paper on his lap and thrust it in front of me, saying "Will this satisfy you?" It was his resignation as a trustee of Wheaton College! (I learned later that this was a typical Hansen move). "No, Mr. Hansen, you don't have to do that" I said.

We had a healthy discussion about the way he worked, and about the way I worked. He ended by saying "Bill, I can't change my personality. I push and I'm direct. But you are too. If I get too much in your way, you've got to kick me in the shin." So that was that. I didn't really understand initially why I was called to Wheaton College. But two months later, the college received a multi-million dollar bequest that was complicated by the late donor's failure to provide for his spouse in the will and a legacy of underpaying his business associates. The Department of Justice, lots of lawyers, and another college were all involved in a lengthy, complicated dispute that finally got resolved in an equitable manner. I ended up commuting to Pittsburg for almost four years to resolve the case.

After this I was ready to go back to practicing law. My partners wanted me back at Kirkland & Ellis in Chicago. As I look back on it though I have thought that if I had stayed in the practice of law, and not gotten sick, and just kept on with the way I was working, the law would have become a jealous mistress in my life and probably ruined my marriage. It was absorbing hours and everything I had to give. So in retrospect the move to Wheaton had more than one purpose in God's way.

On to ServiceMaster

Gill: But you didn't go back into the law practice after the Wheaton years.

Pollard: Just as I was thinking of going back to practice law, Ken Hansen and his colleague Ken Wessner started recruiting me to ServiceMaster. They painted a wonderful picture about the future of the company. They implied that someday I could become the CEO, though they were not specific about it. At Hansen's office on the day I was signing up for the benefits and everything else, I started pressing him: what do I have to do, who else is in the running, and so on. I was 38 years old and wanted to understand

what was ahead of me, what were my opportunities.

Ken Hansen stood up, looked me in the eye and said, "You know what, the interview is over." and walked me out the front door. I said to myself "Well God, you must want me to go into law practice law after all!" But two days later Hansen called me up and said, "Do you want to know what happened in my office?" I said, "Sure." He said, "Bill if you come to ServiceMaster to contribute, you'll have a great career. But if you come for a title or position, forget it."

Gill: Wow, good lesson!

Pollard: Yes, great lesson. I started as senior vice president, responsible for staff, leader, and finance functions; the CFO and general counsel reported to me. By 1980 they started giving me operating responsibilities, and I became Chief Operating Officer in 1981 and the CEO in 1983.

Gill: Are we seeing a pattern here of how God calls and guides you? But was there some moment when a light bulb flashed for you and you thought, "God wants to be in charge of everything that I'm doing here: he is the Lord of my work?" So it isn't just a matter of a call to the work but now he is Lord also of the work itself? When did that really happen?

Pollard: It came in pieces. God is opening doors and pushing in different ways, though I'm not consciously asking yet "is this a calling?" Part of it, I'm sure, was the mentoring of Ken Hanson and Ken Wessner on the whole purpose of the business. They had me immediately immerse in understanding what the company's larger objectives meant in my life as well as the company's life. I spent time reading what they had written. They nurtured me forward. That's where it started to come together. And soon after joining the company I also got connected to Max DePree the CEO of Herman Miller and to the business consultant and writer Peter Drucker. Drucker was very interested in our objectives and how we were handling the business. He was as much interested in learning from us as we were in learning from him. He took a personal interest in the business, and I benefited from that.

But where it really happened was, when we really finally came to the final "this is where God wants me" is around 1984-1985. I was already CEO of the company, and our major business at that point was services to healthcare. We had doubled in size every eight years before that, but our boat was now stalling. We're going to have to do something, we're going to have to add some new services.

I knew that it was my responsibility was to initiate change, something new to keep the engine going. So I was doing a lot of thinking as we're traveling. That's when Harvard came and rolled out their first case study on us. So there were a lot of expectations out there for the future shareholder, and I was getting a lot of advice. I was getting advice from some of the older men in our church. I was getting advice from my father-in-law. I was getting advice from my wife that maybe I was again running too fast, too far.

Drucker on Priority

I went out to see Peter Drucker at Claremont for a business planning session about 1985. I gave him my plan ahead of time and then we talked about it. After a long discussion I said, "Peter, in the end what you're telling me is that I need to get my priorities right in this plan." He slammed his hand on the table and with his Austrian accent said, "No Bill, you need to get your *deep* priority figured out and do that." Then he gave me a lecture on the word "priority." He said, "Did you know that "priority" was singular all the way up to the 20th century? It wasn't until the 20th century that we pluralized it. Find out the one most important step to take and do it." I thought a lot about that and left the meeting trying to figure out how

that related to our business plans.

That night I read in Matthew, "Seek first the Kingdom of God and his righteousness and all these things will be added onto you." I said, "You're right on that advice, I've got to exercise more, I got to spend more time at church. I got to spend more time with my family," and these are all based on quantities of time and not quality of time by the way. I have all these responsibility in the business, but if God isn't in it for me I shouldn't be in it. It can't be the priority, God has to be in the business. It has to be God's calling for me. That's where it finally came to "it has to be." When I look back, that's when we then did a lot of things in the business.

Gill: It sounds like the faith and work integration points for you were mission, purpose, and leadership.

Pollard: Yes. These were focal points all along. The insight came from committed people talking to me and then the scripture I read that night that is where God reaffirmed it clearly to me. There was a huge task ahead of me in the company. We had just crossed the billion dollar mark in revenue and every expectation was that we were going to be two billion in another three years. It wasn't there yet, the businesses weren't there to do that, the people weren't there to do that. We're going to have to do some acquisitions, we're going to have to borrow some money. We were a limited partnership for 10 years because we were generating a lot of cash. For every \$0.06 we invested we generate a dollar worth of revenue and got back \$0.03 as well because we were working in everybody else's investment. We were working in the hospital's investment in the hospital, we were working in your home if you've invested in a home. So all we had was working capital, that's all we had.

Gill: So in the mid-1980's you were becoming much more self conscious about integrating your faith with your work.

Pollard: I was very conscious of bringing my faith into work --- whether this is where God wanted me. I didn't go to ServiceMaster without praying. I hadn't gone to Wheaton without praying. In my reading of the Scripture God doesn't play hide and seek with somebody who is sincere. In each case I prayed and then I made a decision

Advisors & Advice

Gill: Was your wife a major consultant for you personally during your career? And did you find other Christians like Max DePree to be helpful in this process?

Pollard: My wife was very definitely part of my discernment processes. Max DePree was also a mentor. I saw the way he took his faith, how his father and brother also did it before him. But there were not a lot of other people talking about this topic in those days.

Gill: What do you see as being the biggest challenges to being a Christian executive in today's business climate?

Pollard: I do think there is the constant temptation toward greed if we're financially successful. When is "enough" enough? Another temptation is hubris. Once you're accomplished some things you may think you've got the answers, and you can easily drip into self absorption and hubris and pride. A third challenge is managing our time --- balancing time for family, time for business, time for church, time for all the things you need to take time for. I never felt like I got this in complete balance.

Gill: What advice would you give to somebody who's coming up, moving up the ladder, to be protected against going off the track on those three things?

Pollard: I think it would be to keep close accounts with the Lord, read and study the Bible diligently, and learn from some good teachers of the Word.

Gill: If you could call on our pastors to help us out with our workplace discipleship, what would you ask them to do to help the next generation of leaders?

Pollard: A pastor stands up in front of an audience which is heading into all kinds of things on Monday morning. We need good expository preaching of the Bible but also some breadth to it that helps the people apply the Word to their daily life and their work. Pastors need to understand as much as they can where their people are coming from and going to in their Monday to Friday work lives. Business people sometimes feel like pastors only see them as pocketbooks --- not as workers and ministers of God out in the marketplace. My biggest frustration in church is not having much dialogue. We get a monologue where I'm listening intently with my bible open, and I'm thinking about this passage and I want to say, "Hey, what about this? You're missing this. Is this something I'm missing?"