

Teamwork at its best



Running a global business with 1,500 employees means balancing steady leadership with an adaptable attitude that helps people withstand constant change. Irv Rothman has learned to maintain that balance in his successful career as CEO.

Rothman, 66, is president and chief executive of HP Financial Services, a unit of Hewlett-Packard Co. Previously, he was president and CEO of Compaq Financial Services Corp. and group president of AT&T Capital Corp. Rothman is the author of Out-Executing the Competition.

EL: How do you maximize your employees' performance?

Rothman: When you have 1,500 employees, it's important to break them down into teams of small, manageable pieces. Having teams is not some catch phrase; it's an operating reality. You need to ask people to manage themselves to make decisions on behalf of the customer. We ask our teams to behave like they are owners.

EL: How do you structure your teams?

Rothman: Most of our teams are 12 to 18 people. We organize them around 30 to 60 customers, not territories. We try to have people on teams who have multiple disciplines and who are cross-trained so that they can help customers. My role is to build the business, get assets on the books and create a strategy for us to win for the customer. Their role is to make decisions on their own on how to allocate resources and how to prioritize to reach strategic goals.

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EL: How did you first become aware of the need to create autonomous teams of employees?

Rothman: In 1986, we were starting AT&T Capital Corp. anew. We were handling it miserably. I was dragged to a lunch with a consultant, Paul Gustafson. He had the idea of building our organization from the customer on in. The more I listened, the more I thought he made sense.

EL: He must be thrilled at how you've applied his advice!

Rothman: I'm still in touch with him. He's a very successful consultant. We're just one of many organizations that he's worked with.

EL: You have employees scattered around the world. How do you make an impact on them when you visit far-flung operations?

Rothman: I travel quite a bit. I'm a 2-million-mile flier on United. I like to interact with smaller groups when I visit. I'll have breakfast or lunch with new colleagues. (We don't call them "employees.") I'll talk about our operating systems so that they have some understanding of our organization and what we're trying to accomplish.

EL: Hewlett-Packard has undergone major upheavals in recent years in terms of new CEOs, new business models, etc. How have you kept your team focused amid such change?

Rothman: We have to remind them that the changes only affect us minimally. We still have work to do. We try to stick to our knitting and take care of our customers.