

# Five Things I Did Not Learn in Business School

**Fred Mason**

*Executive in Residence, March 30, 2012*

Fred Mason, '73, worked for nearly forty years for Caterpillar, Inc., and retired in 2010 as managing director of Caterpillar Luxembourg.

When I was a senior in high school in 1969, study halls were commonly not conducive to study, but one could go to the school library where it was quiet, and there was a bit of room to spread out. One could do this, except the head librarian insisted the library was only for using reference materials. This would have been understandable if available seats had been in limited supply, but they were not. And so I would go to the library, study quietly and, when discovered, be summarily ejected. It was, I thought, petty, illogical, and unjust.

Now a moment of reflection might have suggested that the unyielding rules were a reason the library was a good place to study, but I was seventeen and knew ever so much more than I do now. I concluded that action was needed. It occurred to some of us that it was the time of year when teachers assigned research papers. Suppose, we thought, each student needed to check out ten books from the library. Given the size of the student body and the total holdings of the library, a minimum of coordination could leave it pretty much devoid of books.

And so was born SLIC, the Student Library Immobilization Committee. We made SLIC solidarity buttons and published an underground SLIC newspaper to chronicle progress. As Arlo Guthrie observed at about that time, “if one person...does it they may think he’s really sick..., and if two people do it..., but if fifty people [are involved], they may think it’s a movement.” SLIC was a movement and, philosophically, we stood shoulder-to-shoulder with our brothers and sisters at the barricades outside the Sorbonne.

The library shelves were soon nearly emptied. Then everyone completed the assigned papers and, in an amazing coincidence, returned all books at 8:00 am of April 1. There was pandemonium as students arrived with armloads of books. Books rapidly swamped the return table, and then the entire front of the library. In the hallway outside, there were stacks everywhere. Hundreds and hundreds of books, in random piles, and none of them in Dewey decimal order. Justice was done.

By mid-day, I was summoned to the principal’s office. He was in high dudgeon; red-faced, neck veins bulging, fulminating wrath. They had located the librarian stretched out in a darkened office with

damp paper towels on her forehead. She left the building with no indication as to if, or when, she might return. The principal screamed, he pounded his desk and, with his face about two inches from mine, said that if I so much as took a breath until the end of the year, I would be expelled and could invest my creative energies in getting along without a diploma. As I left his office, I was thinking about the letter I might have to write to the Juniata Admissions office that would, in passing, ask if they were really serious about that high school diploma thing.

As I prepared for this week, I asked my Juniata roommate, now a distinguished professor at Indiana University, how one can possibly interest students who are accustomed to having two or three highly animated screens going at one time. His response was, “They like stories.” It may be, therefore, that I am here at an optimal time. I’m old enough to have amassed lots of stories, but young enough, one hopes, to remember the point of them.

Based on tuition, fees, and miscellaneous expenses, I figure your all-in cost at about \$24 for every hour of every semester. Moreover, you could be spending your time *Keeping Up with the Kardashians* or *Dancing with the Stars*; and thus your opportunity costs are huge. I will not keep you long. I am making five observations about things I did not learn, I stress, in business school.

#### OBSERVATION ONE: COMMUNICATION

The quality of communication, and particularly, business communication, has declined markedly. It is only a slight exaggeration to say one hears statements like “We must synergistically incentivize team members to become world class and impactful client-centric infomediaries.”

However, poor writing is neither unique to business nor new. My grandfather’s mother died when he was in the eighth grade and he was forced to leave school to earn money to help feed his sisters. Near the end of his career, he worked for the Pennsylvania Department of Highways. I have a memo he wrote to the District Engineer on March 26, 1952. It said, in part, “From time to time we receive regulations, directions and interpretations put out by the National Production Authority. . . . Your bureau is kind enough to forward interpretations of some of the more difficult regulations. We quote below a statement which may or may not have something to do with our allotment, at least the words ‘allotment programs’ are incorporated.” He then quoted the convoluted language of the directive and concluded with, “We are not so unreasonable as to ask for a complete interpretation, but can you find out the answer to one question. Is it good or bad?”

Today, many companies incur substantial costs for what is essentially remedial training, but the actual costs to investors and society are, in fact, much greater because muddled speech and writing mask false assumptions, specious reasoning, and poor decisions.

I believe the decline in precision and clarity is related to the upsurge in e-mail and, particularly, texting and tweeting. I imagine a scene in 3035, as archeologists work to determine the causes of the late twenty-fifth century Great War. Tapping into the hardened digital archives of the combatant League of Red Nations and League of Blue Nations, they discover that, in the final communication before the hostilities began, Blue Nations officials interpreted the “u.r. ☺” embedded in the message as acceptance of a proposed truce, whereas the Red Nations meant the emoticon as a gleeful “You’re toast, chumps.”

Communicating well will be a tremendous competitive advantage for you and, it may help save society.

## OBSERVATION TWO: CULTURES

I first traveled to China in 1988 to negotiate technology transfer agreements with representatives of several factories under the Ministry of the Machine Building Industry. I went with the confidence that I knew the proposed contract language inside and out, had diagrammed decision trees, rehearsed rationale and fall-back positions, and, certainly not least, thought I knew something about negotiating. I was wrong. The Chinese team taught me there was much I did not know. I had scheduled a one-week trip, intent on flying in, working hard, wrapping up an agreement, and flying out. On the other side of the table, the negotiators had no need to go anywhere. Their sense of time was in the context of five thousand years of history. They too wanted an agreement, but if it took six weeks, or six months, or perhaps several years to obtain something favorable, so be it. When they disagreed with the proposed language for a phrase or clause, they would often just sit silently. I was uncomfortable with protracted silence and wanted to make progress, so I would speak up. Each time I did so, whatever I said invariably resulted in some form of concession, or weakened my bargaining position.

One can learn much about a culture by doing research using the multitude of readily available reference materials. However, to really understand a culture, one needs to speak the language. Learning any second language is valuable because it both forces and enables one to look at the world through a different lens. It opens up new avenues of thought and indicates you are willing and able to step out of your comfort zone in order to better communicate and better understand. I am assuredly no linguist, but I did develop an approach to learning a language. Take a conversational class, have a glass of wine to lower the inhibitions, and talk, talk, talk. Soon after first discovering the benefits of the glass of wine, I got to thinking that, if one glass was helpful, perhaps two would be even more so. I found, however, there are rapidly diminishing returns. With two glasses, I was convinced I became fluent, but the other students suffered neck strain as they reacted with “Comment?” and “Quoi?”

### OBSERVATION THREE: THE LIBERAL ARTS

My MBA helped me develop a set of powerful analytic tools, but my Juniata liberal arts education enabled me to maintain my sanity while using them. It enabled me to see my day-to-day work in a broader context, to savor the daily contact with people from around the world, to be fascinated by the odd dynamics of organizational decision making and, occasionally, to see my desk as the Augean stables and my task as in league with that of Sisyphus. The world desperately needs people who can see themselves and their activities in an ethical, global, and historical context. At Juniata you are being equipped to do just that.

### OBSERVATION FOUR: SUSTAINABILITY

At the time of Gutenberg, there were about five hundred million people on the planet. Global population was about one billion at the time of the industrial revolution and, since then, there has been a dramatic increase to the current seven billion. Center-line forecasts are for the rate of increase to slow, but the total in 2050 to be between nine and ten billion. In a very small fraction of the history of the planet, population will have increased ten-fold. This increase is putting unprecedented pressures on the planet and its ecosystems. I am not one to say the earth will not survive. I am confident the planet will adapt to the new levels of emissions, the loss in biodiversity, etc. However, I am also convinced the evolved earth will be a very different place from what we currently call home. If we are at all attached to the current geographies and conditions, we must, I believe, get serious about sustainability. We must learn how to live in closer harmony with nature, develop closed-loop commercial and industrial systems, and invent products based in biomimicry and green chemistry.

### OBSERVATION FIVE: LUCK

In the summer of 1983, I went blind. I had noticed random, floating spots in my vision. Then, over the course of several weeks, the spots grew larger and converged until I could distinguish only light from dark, nothing more. I was admitted to a teaching hospital where they had ample staff-in-training to do exhaustive testing. I was poked, prodded, and sampled on an hourly basis but, during those weeks in the hospital, my vision began to improve. The doctors identified the cause of the blindness as optic neuritis and diagnosed multiple sclerosis. They said they could not give a prognosis, but that I should be prepared to be blind and wheelchair bound. I heard this, swore, and went back to work.

At this point in the story, if I were running for office, the background music would modulate to a stirring John Williams orchestration as the voiceover described steely resolve and the exercise of mind over matter. This, however, would be pure bunk. When research is someday able to fully reveal the facts

and data, they will indicate that, similar to many other diseases, the severity of MS differs from one individual to another. The lesson is not about mind over matter, it's about luck.

While life for each of us has its ups and downs, all of us here are very fortunate. Each of us in this room, by accident of birth and circumstances, has had the support of caring parents, siblings, friends, teachers, advisors, and mentors. Yes, we have worked very hard to educate and better ourselves, and we have seized opportunities. But, as compared to 99.9% of the seven billion people in the world, we have been exceptionally fortunate. I believe our obligation in response to this incredible good fortune is to make the most of ourselves and to do so in a way that contributes to the common good. Each of us will follow a different path. In my own case, while I worked at Caterpillar I attempted to help it be a good place of employment and a source of quality products needed for development. In my post-corporate career, I am endeavoring to assist various environmental NGO's and start-ups. Is my effort to help on a large scale more effective than if I were to volunteer at a local soup kitchen? I simply don't know. What I do know is that each of you will make your own choices and I wish you great success. Thank you.