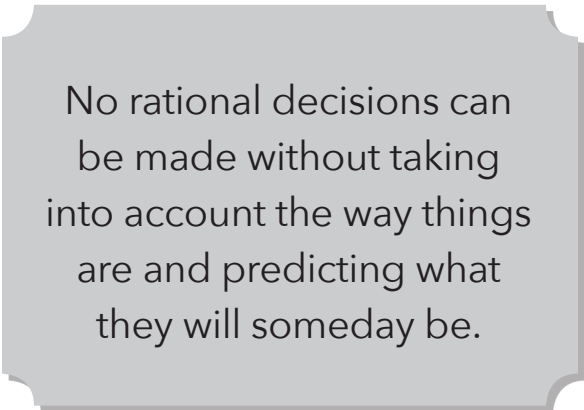


Never Saw It Coming

“Year after year, decade after decade, we have seen problems papered over and tough choices kicked down the road, even as foreign competitors outpaced us. Well, we have reached the end of the road,” said President Barack Obama in 2009, at a press conference announcing that the federal government was loaning \$77 billion to GM and Chrysler. An amazing U-turn considering that, in 1955, GM became the first corporation in history to earn a billion dollars of revenue. Ironically, by the end of that decade, GM was so powerful that the Justice Department considered breaking it up like they would eventually do to the Bell System in 1982.



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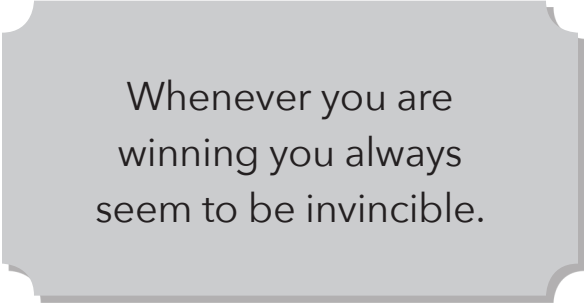
What happened? The paramount problem was GM didn't see that a detour was coming up until it was too late. Instead of listening to customers and heeding the competition from afar, they never recognized a need to change. During the boom years of the auto industry, Detroit was the Silicon Valley of the golden age. At one point, it was the fourth most populous city in the country. As with the gold rush, everyone wanted a piece of the fortunes that were overflowing in a city that quickly became known for

the highest median income in America. It became the first city to assign individual telephone numbers and pave a mile of concrete road. By July 2013, though, Detroit's population declined 26 percent from 1.85 million in 1950 to 706,000. The unemployment rate hit 18.6 percent, with per capita income at \$15,261 a year. Detroit didn't burst overnight. Three and a half years prior to the federal bailout, GM lost \$82 billion and the city of Detroit didn't have one produce-carrying grocery chain in the whole city. Once symbols of progress, both GM and Detroit became ill-fated casualties. GM and Detroit would teach us that no rational decisions can be made without taking into account the way things are and predicting what they will someday be. We would begin to put more analysis into understanding, anticipating and preparing for changes. While no one can really predict the future, we are now more apt to recognize what could happen and, in some cases, what should happen.

Too Much Apathy

When you think about Levi Strauss, Kodak, Zenith, Firestone, Timex, Nestle, U.S. Steel, Polaroid, Sears and IBM, what do these companies all have in common? They used to be the leaders in their respective industries. So how did they lose their market position? They all fashioned a culture that believed that nothing could slow them down; hence, they didn't see a need to change. In the 1960s, a man named Thomas Watson, Jr., who was the chief executive officer of IBM, moved the company's headquarters from the epicenter of Manhattan to an old apple

orchard about thirty miles to the north. His reason was that he wanted his company to survive a nuclear attack on New York City. Nothing else seemed threatening to the gigantic corporation. IBM was so powerful and invincible that it seemed only a nuclear-powered missile could bring about its demise. Seventy percent of all money spent on computers went to IBM, and the remaining 30 percent was fought over by a bunch of rivals known as the “seven dwarfs.” IBM made more money than any company in the world. It sold mainframe computers that were the size of refrigerators for \$4 million apiece and kept \$3 million for profit. While they made plenty of money in the other business segments, the mainframe piece made an easy \$4 billion a year in profits.



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While *Fortune* magazine was calling Watson “the greatest capitalist in history,” and executives worldwide named IBM the company they most admired, some at IBM began predicting that the big, costly computers would be replaced by networks of smaller, cheaper computers and that the company had to change. Regrettably, no one was listening. Moreover, IBM substantiated the truism that whenever you are winning you always seem to be invincible. Fearing the company’s vulnerability, some of the most talented and thoughtful individuals abandoned ship. When IBM offered early retirement, the smartest people took the chance to

get out. In 1990, the company began the new decade by turning a profit of \$6 billion for the year. Then, suddenly, IBM began to collapse. The competition was selling workstations that cost less than \$100,000 and fit on top of a desk. It didn't make sense to customers to pay \$4 million dollars for IBM's enormous mainframes. Over the next two years, IBM cut prices by 50 percent, then by 70 percent. It didn't matter. In 1992, IBM lost the largest sum of money that any corporation had ever lost in a single year. The \$5-billion-dollar loss plummeted their stock price from \$43 to \$12 a share, with shareholders losing a total of \$75 billion. There wasn't enough cash to cover payroll, and the lifetime employment promise ended with a mass layoff of 140,000 workers. When the dust had settled, the company that was once unshakable recognized that they could either change or vanish. The biggest challenge would be shifting their approach. When you're locked into a mindset that helps you succeed, it's difficult even to think about the profound changes you'll have to respond to.

Answers Without Questions

They say you don't know what you have until it's gone. The truth is, you know exactly what you have; you just never believe you'll lose it. You think everything's fine, that nothing needs to change—until it's too late. You disregard anyone else's feelings as well as your own need to change and grow, because those conflict with your desire to maintain the status quo.

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on what you don't want
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You're passive. You wait for something to happen, then evaluate whether it was positive or negative and respond accordingly. While you express a desire to map out a successful future, you continue to be reactive instead of proactive. It's easier to focus attention on what you don't want instead of taking control of what's in front of you—your family, your job, your mental and physical well-being, your other blessings. Positive change will not happen until you recognize what you have power over.

Adjusting Without Changing

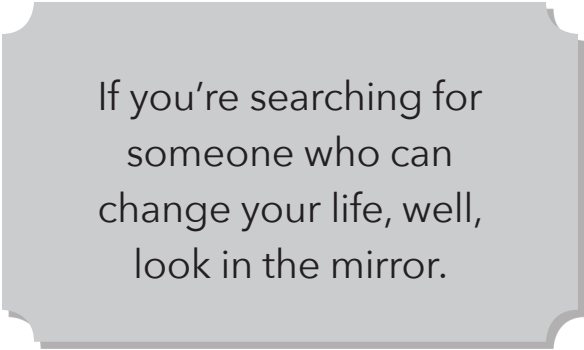
People have an instinctive ability to adapt to most situations and often live by the adage, "It is what it is." Regrettably, while our ability to adapt is amazing, our ability to change isn't. When you least expect it, life challenges your courage and willingness to change. In such moments, you can either accept it for what it is or make it what you want. Just as failure is an inevitable, vital part of success, every detour is a critical part of your trip. Detours allow you to exercise creativity and resourcefulness by moving forward in ways you had not anticipated.

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Two weeks before my 45th birthday, while sitting in my mother's living room, I revealed that, after just one year and ten months of marriage, my wife had demanded a divorce—my second such failure. Mom's response astonished me. As I spoke, she sat silently, tears forming in her eyes, staring at me with a look of unease and compassion that only a mother can express without saying a word. When I finished articulating my side of the story—which, admittedly, was not entirely objective—she said calmly but with unnerving resolve, “Son, you need to recognize that you have to change. You're the only common denominator in both marriages.” Mom's words were a huge wake-up call. I realized that while I had been adjusting my life to accommodate the changes that marriage brought into it, I wasn't doing more. I stopped growing, as if that were the end of my road and nothing further was needed from me. A detour—such as divorce—is what you make it. It can be the beginning of something new and beautiful, or it can stop you dead. When you look within and diagnose your own need to change—for yourself as well as for those to whom you're committed—you will grow.

Writing Your Own Story

Each of us has a unique story, a distinct life. When we're dissatisfied with ourselves, we sometimes covet the lives of those around us. But are those objects of our envy truly experiencing the lives they want? Unless you know them as well as you know yourself, you can't answer that question. They may be living a life they *think* they want or that they've convinced themselves is the best they can hope for. Sometimes it's easier to pretend to be what we aren't than to become who we should be.

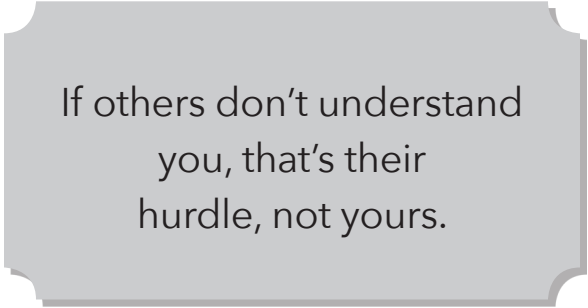


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Consider the difference between a costume and a uniform. A costume is something you wear pretending to be something else. A uniform, however, is a reflection of who you are within. Sometimes we spend a lifetime trying on different costumes while searching for that one person or one career we believe will fit us just right. If you're searching for someone who can change your life, well, look in the mirror. You and you alone are the key. Don't rely on external validation to feel good about yourself. Start building stability within and an inner spring that energizes you with positivity no matter what others say or do. You weren't born to fit in; you were born to stand out.

Carving Out a New Normal

To navigate life's turns, recognize your strengths, trust the true nature of who you are and commit. If others don't understand you, that's their hurdle, not yours. What matters most is that you understand yourself. This is not your practice life—this is your *actual* life.



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It's time for you to carve out a new, more authentic normal for yourself. Figure out who you really are and what you really want. Don't settle—settling leads to frustration and misery, jealousy and pain. Be comfortable with being uncomfortable. Change your mindset. Steer clear of complacency and lazy thinking unless you're willing to accept complete responsibility for the disappointing results. When you take ownership of your life, you control your happiness and self-esteem. Is it scary to push yourself? Is it difficult? You bet. Just remember that every loss, setback or hurdle can either be a dead end or an opportunity to grow. The choice is yours. Every detour you face in life becomes exactly what you make it.