



# Guttman Insights

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**David Best** is President and CEO of Newman's Own, Inc., the food company founded by Paul Newman in 1982. Newman's Own makes great tasting, high-quality food and beverage products, including salad dressings, frozen pizza, pasta sauces, salsa, refrigerated lemonades, cookies, and dog treats.



The Newman's Own brand is mission-driven — 100% of profits go to help kids. Newman's Own Foundation continues Paul Newman's commitment to use all the money that it receives from the sale of its products to support children, their families, and their communities. In total, more than \$570 million has been donated to good causes since 1982.

In this issue, David Best, CEO of Newman's Own, Inc., provides insight into how high-performance leadership has enabled him and his organization to weave together a noble mission, profitability, and execution in the service of "giving it all away" to children facing adversity. What's your leadership VQ? Howard Guttman asks in his column on vulnerability. Better find out—it has bottom-line implications. With all the fuss and turmoil around us, trust has become a serious *performance* issue on teams. Take a look at Howard's video on raising trust levels.

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**Leader's Corner: David Best — Newman's Own: Linking High Performance, Profits & Public Good**

**I'm in a supermarket facing a tough choice: Do I buy a box of Oreos or Newman O's cookies? Which should I purchase and why?**

Newman O's, of course! First, because 100% of our profits go to help kids. Second, because Newman O's taste great. They are a family pleaser, for sure, and there's nothing quite like their crispy crunch and creamy deliciousness. And they are made with organic flour and sugar, to boot.

**Newman's Own offers a wide array of products. When you look strategically at the future, how do you decide which products will best fit into your portfolio?**

We want to grow. The more we grow, the more we can help kids. When we look at a new product, we ask: Does it fit with the Newman's Own brand? What are consumers looking for in this new product, and can we deliver that? Can we make it taste great, and how can we make it taste great? Where can we find the best ingredients? Do we have partners that can produce a superior product? We are certainly choiceful, and we don't want to overextend ourselves.

**Can you give us a peek at the products that you'll be focusing on in the next two or three years?**

Americans are working—and eating—from home much more than in the past. While we'll focus on growth across our entire product line, we'll be sure to focus on our frozen pizzas. Pizza is one of those family-friendly foods you can always have in your freezer:

ready to serve whether you're eating together as a family or eating in shifts, especially now, as kids head back to school. We offer three pizza products: classic, cauliflower crust, and our newest line: a stone-fired-crust pizza imported from Italy, which must be tasted to be believed!

**How do you link personality positioning—for example, focusing on Paul Newman as the face of the brand—with mission positioning, for example, eating well while doing good, and with product positioning around taste and quality?**

Paul Newman has been the face of the brand since 1982, when he founded the company. He knew that his celebrity status would help drive sales, and when he decided to put his face on the label he declared "Let's Give It All Away." Continuing to give it all away to good causes, deliver great product experiences, and achieve high satisfaction and taste scores with consumers has kept us in good stead over many years.

**How do you refresh the Paul Newman brand image, so it remains relevant to TikTockers and Gen Zers, who might never have heard of "Cool Hand Luke?"**

Staying relevant to new generations is always needed, and it's always a challenge. We're making sure that people continue to understand that we're a radically different company, one makes good food and does good by giving all the money we make to help kids. For those who want to dig deeper into our founder Paul Newman and into our history, we are making sure they can do so digitally, whether it's through our website or on social media.

### How does your company's philanthropic mission influence your strictly-business decisions?

I oversee the commercial operations of Newman's Own. The mission of helping kids who face adversity is a prime motivator for everyone who works at our company. You don't come here unless you buy into the mission. We are driven to maximize profits for the long term. We just take those profits and turn them over to the Newman's Own Foundation, which handles our philanthropic efforts. The Newman's Own organization is unique. We don't support a cause to sell food. We sell food to support a great cause, and our great cause is helping kids who face adversity. What could be better than that?

### When did you decide to undertake the high-performance journey and why?

It was over a year ago that we began to think about transforming Newman's Own brand. We are currently updating our packaging to make it fresher and more vibrant and to ensure that it reflects the message that 100% of our profits help kids. I also felt that it was time to transform the company. I have always believed that a high-performance approach gives better results and helps to maximize the long-term profits that we give to the foundation. Make more money, help more kids — that's what I think moving to a high-performance approach will enable us to do.

### To what extent was the journey a mega culture change for Newman's Own?

Everyone surely wanted the results that a high-performance approach can bring. But we lacked some of the mindset, behaviors, and skills. Getting there is a journey, and we've just begun this journey. It's a never-ending journey, and I like that. You can always be better.

### So, the high-performance journey fit your company's situational needs?

We're a small company. Everyone, at every level, needs to be a leader and a doer. And we have to work together collaboratively. A high-performance approach is perfect for us. We needed to be able to work transparently and with candor — to innovate, to solve problems, and to dig in together to get the job done. And even though we're a small company, we were too siloed. The high-performance approach is helping us break down barriers and become cross-functionally stronger.

### What steps have you taken on your high-performance journey?

I first met one-on-one with Howard Guttman. Then we held a series of Guttman-facilitated leadership-team meetings. The first one focused on an in-depth discussion of an assessment that GDS had conducted. How rapidly were we resolving business issues? How good were our business relationships, and how well were we working together? Were we operating candidly? Which behaviors were working and which were not working? How could we overcome the deficiencies? We then held a joint meeting of the leadership team and the next level of leaders. Each time we met, we began getting sharper and better. What has been key to our progress has been learning to be more candid and to hold each other accountable.

### How do you personally hold your team members accountable?

During our leadership-team meetings every Monday—and on a daily basis—we keep each other accountable for delivering against promised results, from supply issues to sales to people management, and for checking on the progress of our high-performance journey.

### Any changes in your leadership behavior and that of your team as a result of your journey to high performance?

Being more candid. Not saying something is not being candid. Too often, people were not speaking up. Silence is no longer an option. Holding each other accountable has been taken to a new level, along with working more seamlessly across functions.

### What's your take on high-performance leadership within the context of the new hybrid work environment?

The high-performance approach is the correct way to go, regardless of how you work: in the office, remotely, or in some combination of both. Working remotely requires being more purposeful in all your engagements and interactions. You're no longer seeing people at the water cooler or in the cafeteria. Focusing on being candid and holding one another accountable, as you do on a high-performance team, makes everyone more purposeful.

### Would you recommend that other CEOs undertake a high-performance journey like the one you are undertaking at Newman's Own?

Yes, I would. You get better results. Holding peers accountable, being candid, and breaking down silos is the best way to engage teams throughout the organization to achieve faster growth. 🌱

### If I Were You:

# How High Is Your Leadership VQ?

by Howard M. Guttman



**Vulnerability.** It's a quality that leaders often take to extremes. Should you express vulnerability as a leader? "Never," say some leaders with a low Vulnerability Quotient, or VQ. Such leaders prefer to play superman and show up as all-powerful and omniscient. On the other end of the spectrum, there are "servant leaders" with a hyper VQ. They wear their vulnerability on their sleeves and don't hesitate to strut their inner stuff to anyone within earshot.

If I were you, I'd avoid the extremes. Vulnerability is not about showing up as strong or weak. Rather, the ability to express vulnerability is a critically important leadership capability that can have a profound business impact.

One of my colleagues was a partner in a significant consulting firm that was led by a charismatic, well-known management guru. The firm was facing an existential crisis requiring across-the-board downsizing, regional-office consolidation, and slashed budgets. The leader spoke from the heart to his colleagues, imploring their understanding, commitment, and extra effort. He presented a draft reorganization plan and asked for their input and suggestions. He told his managers that this was a "lifeboat moment," and he could not make the trip alone. "I don't have the capability and wherewithal. We have to row together to survive." The leader received a standing ovation, and his colleagues left the meeting ready to walk through plate glass to get the job done.

Vulnerability involves being open, able to express doubts or concerns, and let down your guard. It shows up frequently as a hidden competency that typically doesn't get much airtime among leaders. When one of our clients became CEO of a major food and beverage distributor, his colleagues noted how different he was from his commanding and charismatic predecessor. Not that this was necessarily bad. What the new leader lacked in oomph, he made up for with a willingness to be open and vulnerable and share his doubts. The new CEO was secure enough to convey what he did not know. It's a trait that promotes enrollment and, not surprisingly, it won the CEO immediate respect and enthusiasm from his colleagues.

When I coach leaders whom I suspect have a VQ deficiency, I look for defensiveness, a tendency to deflect criticism, and the unwillingness to acknowledge what they don't know. They build

a kind of protective shield around themselves. Such leaders show up as lacking authenticity and the willingness to reveal. They come across as thinking that they have all the answers and complete control—so "no advice needed." It's difficult to connect with low-VQ leaders. There's a lack of emotional accessibility. They can build intellectual relationships with the players around them, but they'll never be able to forge the solid leader-follower relationships that inspire and enroll others.

As leaders go, so go followers. Low-VQ leaders engender wariness among their team members. It's too risky for them to demonstrate what they don't know. When problems arise, there tends to be little open discussion to solve them. Forget about asking for help. The hang time for issue identification and resolution also gets extended. Team members go into shutdown mode. Performance inevitably drags. I've seen this happen all too often on teams with low-VQ leaders.

If you happen to be a low-VQ leader, it just might be that you have an antiquated notion of what a leader should be. The all-knowing, supremely confident leader is something of an anachronism. The world has changed plenty since John Wayne rode the trails. The workplace has become more sophisticated and diverse. Leaders are expected to be more three-dimensional, more adept at moving along the leadership continuum from powering to empowering. As a result, EQ has become a prized leadership quality—and high EQ presupposes the willingness to be vulnerable.

If I were a leader and wanted to add more EQ and VQ to my leadership repertoire, I'd begin by shifting my self-talk, or inner story, about the leader I aspire to be. That ideal leader would be open and willing to acknowledge what he or she doesn't know and would be eager to enroll others for support. Such an acknowledgment is a hallmark not of weakness but of a leader's strength and confidence. A powerful leader empowers. That's my new story!

A critical self-talk moment occurs when leaders clearly grasp this shift and then ask themselves, "Isn't it my job to model what it is I want from those I lead?" If I want my team to be quicker in acknowledging when things aren't working, to be transparent in asking for help, or to be proactive in identifying potential problems, then I have to change how I show up and behave. And the quicker I do so, the quicker my team will follow, knowing that expressing vulnerability and being unafraid are team norms.

The ability to express vulnerability...can have a profound business impact.

## If I Were You: How High Is Your Leadership VQ?

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Leaders can express vulnerability in many ways, from admitting their mistakes and their need for help to being comfortable with being uncomfortable, expressing doubt, and enrolling others in problem-solving and decision-making. One of the techniques that I have found useful is soliciting people's points of view, even when I'm confident in taking a particular action. It's a way of demonstrating that I don't have all the answers and that I value others' points of view. And, by the way, I always walk away better for the input!

Like most things in life, balance is key when it comes to raising a leader's VQ. Chest-beating leaders who are quick to express doubt risk having those around them wonder about their capability and perhaps their backbone. There's a rhythm to vulnerability. The more charismatic and confident the leader, the more he or she needs to periodically balance these traits by expressing vulnerability, which enables them to become more accessible.

If I were you, I'd focus on your key players and stakeholders. Periodically meet with them to solicit their viewpoints and input. The more you engage them and demonstrate a willingness to tap into their experience, the more they will feel valued. And, while you're at it, be honest, admit what you don't know, avoid the "fake it till you make it" scam, and your colleagues will know that they are being led by a powerful leader who has the confidence to be vulnerable.

High VQ has substantial payoffs for leaders. You create followership among key players, build trust, and become more likeable. The best and brightest much prefer to follow a leader who is the real deal and authentic. You build loyalty and play to your strengths, knowing that you can ask those around you to fill in the gaps. You're also building greater team-performance muscle and bench strength in the process. And while your colleagues might not want to walk through plate glass for you the way the team did in my earlier example, you can count on them to be at stake for your success. ●

## Team Trust: From Talk to Behavior

by Howard M. Guttman

“Trust,” Howard Guttman explains, “is the residue of past promises kept.” True enough, but how can leaders earn team trust? Spend a few minutes with Howard as he takes you through a few practical exercises to embed trust into ongoing team relationships and behavior. 🎥

