



From Queens to Karachi:

Making a difference through shared meaning

by Rick Mavrovich

Editor's Note: *Earlier this year, Rick Mavrovich found himself in Karachi, Pakistan, attempting to turn around a company that had been model of mismanagement. The mission posed the most daunting business challenges of his life. In this hopeful essay Rick shares the lessons he learned in one of the most troubled lands on earth. Despite all the troubles there, the human spirit still proffers many linkages to those thoughtful enough to seek such connections.*

Rick Mavrovich is an entrepreneur who utilizes his extensive background and network of contacts to launch and fund start-up companies. He was Co-Founder/CEO of NETSPERTS, Inc. a firm that specialized in providing technology and business process expertise for mergers and acquisitions in the financial sector. He was also a partner and director in Venturemate, Inc., which focused on creating the leading on-line private equity trading system.

Rick is the founder of the [Institute for Life Purpose](#), a 501(c)(3) which "promotes and nourishes the conversation of Life Purpose."

Rick was also a founding board member and Director of Technology of [Comp2Kids](#). Comp2Kids provides communities with access to technology and educational tools for children.

Although an entrepreneur, Rick's true passion is inspiring others to discover and live their life purpose.

My hotel window blurred the crescent moon. The mournful chant of an Imam snaked through the night and through the glass. Wiping a thin layer of humidity from the windowpane, I could see two flags – one a green crescent, the other the Stars and Stripes a block away above the US Embassy. Earlier that day, outside its walls guards discovered a Daihatsu truck laden with explosives. I remembered driving by the truck that morning, its cargo as of yet undetected. I come from Queens, New York, not normally a killing field. But from what I've read, wherever people apply their passion to doing each other in, Death randomly selects whom it will visit. Extreme caution or mild carelessness don't seem to change one's odds of survival.

Once again, as I had done countless times, I asked myself "What the hell am I doing here?" My wife was back at home 10,000 miles away in her 28th week of pregnancy. I had to be in Santa Barbara in a few days for the World Business Academy's annual conference. Physically I was in Pakistan; mentally, I was somewhere I had never been. Everything in the world seemed off.



I usually felt alone in this strange land. Most of the women still covered themselves head-to-toe, big banners honoring bin Laden fluttered on the side of buildings, a war raged in the north, and anywhere I'd look there would be at least at least one jarring reminder that I wasn't in Queens anymore.

Despite the loneliness from this other-worldly culture, in Pakistan the extraordinary hospitality extended by colleagues and even complete strangers can overwhelm a Westerner. Rarely had I a moment alone as ingratiating guides shuttled me from humble homes to oasis-like mansions, from restaurants to bazaars. This was very different from the Pakistan depicted in the media.

I had journeyed to Karachi on behalf of the company for which I worked. We outsourced software development overseas. Scanning the hostile environment, anyone might see three challenges:

- 1) **Pakistani PR** – Our operations center was based in Karachi, the source of daily televised images depicting kids with bandanas emblazoned with "I Hate America" and burning the Stars & Stripes. This did not boost our sales at home.
- 2) **Economy** – Our company formed at the crest of the dotcom craze and what turned out to be one of the worst tech markets in history.
- 3) **Politics** – John Kerry just declared that any American company that outsources is a traitor. So instead of being an ambassador of goodwill, I became Benedict Arnold.

That was the good news. Beneath our tent lurked even greater challenges:

- 1) **Focus** – The company offered an incoherent, almost vertiginous hodgepodge of products and services devoid of any coherent strategy or focus.
- 2) **Quality and efficiency** – Chaos was king. Standardized operating procedures, policies, or any systematized process did not exist. Instead management left important issues intentionally vague to keep employees at a disadvantage and the customers in check. Whatever the benefits of this approach, it exacted a terrible toll in quality and efficiency.
- 3) **Morale** – I was asked never to compliment employees because they would in

turn ask for a raise and/or become lazy. Instead, prior management advised me that employees "responded better to threats and beatings" (sic).

Were a company so dysfunctional operating only in Queens, I would also have asked "What am I doing here?" The Karachi factor made the answer exponentially more difficult to fathom. Circumstances did not allow much time for such speculations, however, because my business card said I was the CEO of this company, headquartered in New York City, with an operations center in Karachi, Pakistan.

Three factors brought me to that alien land:

- 1) **Opportunity** – Regardless of the challenges, plenty of room remained for improvement and outsourcing was hot.
- 2) **Show instead of tell** – My favorite quote from another traveler, St. Francis, is, "Always preach the gospel. Use words when necessary." I was tired of being actively involved in the World Business Academy and telling others how they could "do well by doing good." So here was a great opportunity to practice what I preach. What better place to preach the gospel of good business than Pakistan?
- 3) **Who I am and what I do** – Among other things, I am an entrepreneur. I build organizations.

So, how to turn this company around? My original intention was to create an extraordinary organization led by vision and guided by purpose, universal values, and high principles. After a week at the ops center, a revolving door of complainers with real complaints and demoralizing discoveries that seemed to metastasize by the minute, clearly my grandiose plans needed grand adjustments. Time to wake up and smell the tea.

As of this evening, I had a little more than a day left in my trip. I had spent the first six days finding facts. I had all the facts I needed. The place was colossally screwed up.

I had scheduled a one-day offsite meeting for the entire local staff beginning the next morning. This would bring it all together. I would deliver a solution. I did not know when I might return, especially since our first baby was due soon. If I couldn't get this shop humming, then all my other plans would be for naught.

Two factors worked in my favor:

- 1) The Pakistani staff was extremely talented.
- 2) Pakistanis have some of the strongest family values in the world.

If I could just help the company's stakeholders move from "family at home" to "family at work", I had a chance.

Within every human being there is a mind, a set of intestines, and a bridge that links both. Newcomers to Pakistan can experience assaults on all three and may never know where or how the conflict began. For me, the combat might have been caused by dinner or stress over the coming day's events. Or both. Kalashnikovs rattled through my intestinal tract most of the night. My last thought as I drifted off to fitful sleep was, "Is this really my Life Purpose?"

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The next day at the offsite conference, I decided to begin with the basics. According to Abraham Maslow, a person doesn't worry about self-actualization until he or she gratifies the basic needs. Thus inspired, I decided to conduct a workout session according to the process made famous by G.E.

The first step, since the day I arrived, had been to listen and to learn. It would have been presumptuous for me to appear and implement my plans without really showing the stakeholders that I listened. The key was to ensure they truly felt heard.

During this phase, the most important outcome was to connect my presence with the hope of a positive change. Whenever the subject of prior management arose, I always set an example by never speaking badly about anyone. This was critical to the second step, which was to establish the beginning of a trusting relationship, a goal over which I had much less direct control.

As the third step I told them my story. I started with a lemonade stand at the age of five and built several companies. I lost it all and rebuilt it again. I learned some of the most important lessons in life sitting on my grandfather's lap. He was a farmer and fisherman who told me stories from the Old Country. Each tale carried an important lesson that remains deeply anchored in my sense of self. When stories are worth telling and told well, people instinctively seek connections with their own stories. Upon those they can collectively build a future. I did not realize how important this was until much later.



I have an indelicate name for the last step: "Get the crap out." If this company were a person, it would have been buckled over from physical, mental, and spiritual constipation. The presence of management at any workout session can destroy the desired emetic effect, so I asked the managers to leave the room for the next three hours. Alone with the staff (including janitors and office boys), I shared the ground rules for the day:

1) They were to **let out any complaint** that they ever held against the company. This was the time to do it. The goal here was not to leave anything out.

2) Everything that was shared should be done in the spirit of **mutual respect**. The goal here was to separate blame from positive suggestion, and personality from behavior. For example: instead of saying, "My manager is stupid and incompetent" they were to reframe the statement as "Frequent requests sent to management go unanswered." This reduced the negative effects of judgment as it preconditions a constructive mindset.

3) The source of all the information would be kept private. The goal here was to make the staff feel safe to share everything. When I have engaged other companies in this process, anonymity had never been a requirement. However, in Pakistan the cultural taboos elevated anonymity as an important factor in achieving our ultimate success.

I made sure that everyone had the opportunity to voice their concerns. I anticipated tough progress, hacking inch by inch through the dense jungle of fear and mistrust that had overgrown the place the past three years. How wrong I was. Many people arrived with meticulous long lists of complaints. Some became overcome with emotion when they spoke; feelings ranged from grief to rage to black humor. One programmer cried over this frustration: he had not

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been given a raise in three years after sharing proof that he was promised one after the first six months. Management continually lied to him. His father was pressuring him to quit and return to his government job. (In Pakistan, even some married adults with children, living in their own homes, still follow the wishes of their parents). There was also laughter when the sole female employee complained about the sanitary habits of her colleagues. (I too had to silently agree at this point, especially since our lavatory had no toilet paper, paper towels, or even soap.)

Many of the issues fell into two categories: management and operations. In all we identified 45 sub-topics, many of which aligned with the concerns of management in New York.

At this point we invited the managers to return. Before we shared all the issues that had been captured on poster boards, I reread the ground rules concerning respect, blame, and solutions.

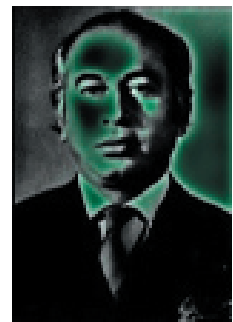
With the managers present we reviewed each issue. I carefully watched the expression on their faces. Several times they tried to interrupt to defend themselves. Eventually they understood that this session was not about blame but about discovering the breakdown in the system.

The list exhausted, the managers next got their turn. As they presented their own lists, many of their issues already appeared on the boards, plus a few more. The next part of the process was critical to success: the rest of the employees saw that the managers also had a monstrously large job to be done with limited resources and little home-office support. As a result the managers won not only some sympathy but also some well-deserved respect.

By now everyone was exhausted. It was high time for a lunch break, but it was also time to attend Friday prayers. I asked the staff if it would be acceptable for me to join them at the mosque. They were shocked, then elated that I was interested in participating. Everyone knew that I was Christian, but they openly welcomed me. They simply asked me to be quiet about my faith and to follow their lead lest I offend some extremists. This one experience is a story within itself, but the important thing I will always remember is the look of pride on the faces of my employees as they were already kneeling on their prayer rugs, when they saw their CEO removing his shoes, rolling up his pants cuffs and kneeling beside them in prayer. Despite the brevity of the ceremony, I now had a better perspective, a deeper relationship upon which to work with them.

After the lunch banquet we returned to the conference center. For the next phase, I had a surprise waiting for them. My original intention before coming to Pakistan was to help build a company that was vision-led and purpose-driven. For the past few days prior I had been asking myself how I was going to communicate this message to them.

These folks care more about survival let alone this "High Talk." On that occasion it happened that God listened more to what I said than what I did. The prior day I ate lunch with one of the company's investors and one of Pakistan's most respected businessmen. His name is Rafiq Habib, and he hails from the esteemed [House of Habib](#). Reputedly a billionaire, Rashid's peerless reputation preceded him. His presence awed the staff, because his house is known throughout Paki-





Core Values of the House of Habib

Cleanliness:

Practice personal cleanliness & hygiene
Practice cleanliness & 5S for all areas & resources:

- SEIRI (Arrangement)
- SEITON (Orderliness)
- SEISO (Cleanliness)
- SEIKETSU (Nearness)
- SHUKAN (Habits)

Entrepreneurship:

Be Wired (knowledgeable)

Be Creative

Convert vision into reality

Take calculated risks

Humility & Respect:

Be a good listener

Foster fair play

Encourage communication with subordinates

Walk the talk

Not egotistic

Justice & Integrity:

Report facts correctly

Transparency in actions

Accept mistakes

Be fair & impartial

High sense of responsibility

Optimum use of Resources:

Minimize wastage

Procure at an optimal price

Practice 5 R:

- Recycle
- Re-Use
- Retrieve
- Refine
- Reduce

Team Work:

Be a good listener

Meaningful participation

Show mutual respect

Own collective decisions

Support inter-dependencies

Believe in candor

"We" not "I"

stan for honor and integrity. Pakistan would not exist today were it not for his father's bankrolling the government during its formative stages. Over lunch he surprised me with his vision of building one of the leading technical institutes in Asia to rival the famed India Institute of Technology. I invited him to speak to the employees about the importance of vision, purpose, values, and principles. I did not think that he, being so busy, would accept the offer. He stunned me when he appeared at the conference. He had cleared his schedule and delivered a presentation that touched everyone.

He shared the story about of his grandfather, who started as a lowly copper-smith and ended up building one of the biggest conglomerates in Asia. He ended his talk by saying, "Remember your level of effort should be equal to the greatness of your vision." We had a lot of work ahead of us!

In the next step, although we would not be talking about vision and purpose, it was nonetheless important for the employees to know where we were ultimately headed. We dealt with the question, "What do we do with all these issues?"

I asked them to break up into smaller groups of four to six people and to discuss what they saw as the top three priorities. Twenty minutes later we reconvened and polled everyone, scoring all of the issues that were plastered around the room on the poster boards. The company's most valuable asset was the employees. To unleash their full potential I had to demonstrate that I cared about them by addressing the issues most important to them.

The majority of the matters that they felt were most important also had major negative impacts on the company's operations. For example, there was the so-called "management void." This was a mysterious black hole into which disappeared all requests emanating from the employees and local management. It was an organizational Bermuda Triangle.

I did not run the show at this meeting. I facilitated and the employees ran it. I had no veto power in terms of which issues we would resolve first. While one would not normally abnegate such responsibility, at times one must trust in the collective wisdom of the group. This was such an instance.

The next step is the most important. It moved us from trust to credibility. Usually this would occur on the third day of such an engagement. But, lacking the luxury of time, we did it next. Since we had 45 issues I knew that we had time only to address the top 15 as ranked by the staff. The rest would have to wait. What I normally do at this point is to bring in the top decision maker of the company or division and have him review all of the issues with the employees. Then the manager is supposed to give one of three responses:

* Yes

* No

* Need more information.

Since I was CEO and I was dealing with a unique time frame, I was the one to make the decisions. We went down the list of the top 15 and I gave yes or no answers to 11. The rest needed more research. So, for example, the second biggest concern was that most of the employees were being forced to work every other Saturday, yet a small handful was exempt. This caused obvious discord, particu-

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larly because all significant work could have been completed during the normal workweek. This policy also ended up costing the company more money in terms of higher electrical costs, additional network infrastructure, and support.

I made an executive decision on the spot: Saturdays were to be days off on two conditions. First, if they were working on a project that had a deadline that was quickly approaching, they had to be responsible and do whatever it took to make it happen. This could include working Saturdays and Sundays. Second, they were to have fun on their day off. The energy level in the room instantly rose several orders of magnitude. Everyone was excited and motivated. I would not yet say "inspired," yet but they were getting there.

We also dealt with another issue that was not in the top 15 but that was a low hanging fruit. The head office boy (even they had a hierarchy) complained quite emotionally in his native tongue. Several of the engineers and programmers giggled at him, and I wondered what it was about. The translator told me he was upset that we did not provide him with the proper equipment (sponge, mop, broom etc.) to execute his duties. I actually saw one of the office boys during the week on his hands and knees cleaning my office floor with a torn rag. I knew that it took a lot of bravery for this young man to stand up and voice this issue. I acknowledged him for it. I asked the CFO why we had not given the "boys" their supplies. The response was that New York never approved it. I asked the CFO how much it would cost to properly supply them and he told me about US\$20. I reached into my pocket and handed the office boy US\$50 and told him to buy whatever he and the others needed and to just give the CFO a receipt for all the purchases.

The look of joy and gratitude was immense.

Three things came out of this office supply solution:

- 1) Both the new process and the new CEO gained instant credibility because I was making instant decisions;
- 2) Granted, this was a small ticket item but it showed that I accorded everyone equal respect no matter their professional level. This sent a powerful message.
- 3) The office became much cleaner.

A subtle yet extraordinary change became apparent. Normally, even if there were a boss standing in front of the room, he had an unchallenged aura. Now that was gone. Now I was the servant leader, fully present to meet their needs so that we collectively could serve the needs of our clients.

We had designated a person to record the issues, identify additional solutions, and champion their completion. After everyone agreed upon the accuracy of the document, the recorder also became the project manager (though this need not always be the same person) to make sure that the implementation of decisions proceeded as planned. Circulating the status of the list kept me and the rest of the managers accountable.

For those items that demanded more information, we allowed a maximum of 45 days to complete the research and make a decision. The "management void" had vanished.

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At this point we took a tea-and-samosa break, and I was inspired when seven employees thanked me for what I did for the office boys.

What happened next spat in the eye of Machiavelli. Before I left New York, the prior management helped me identify the issues that we needed to tackle. For example, the company had no system to track the work assigned to each employee. Nor did it use a standardized software development methodology to drive maximum productivity. Managers in NY assured me for obvious reasons we would never ever persuade the employees to agree to use such a tool.

The employees reinforced my faith in the magic of the process. They complained about the lack of a system to track their work. Many times they were overloaded with confused priorities. They proposed a task/project management system. They self-organized and formed a committee to identify the best system to meet the company's project management needs. They also chartered a group to draft a very sophisticated development methodology which culminated in being a key factor in selling a large new client prospect. When you trust the process it is amazing how you can tap the enormous resources that lie hidden within your organization.



By 6 p.m. I was getting sicker by the moment. Having been on my feet all day, I could barely stand. I promised them that we would end by 6 and I wanted to keep my word. I asked them if they minded staying an extra hour and they all agreed. It was great to "get all the crap out," but I felt that I needed to take them to the next level and perhaps inspire them.

I had no idea how to do this but I will never forget what happened next. Collectively everyone leaned back in their chair and sighed. One programmer patted his stomach as if he had a satisfying meal and said, "Tonight I will sleep good." This puzzled me so I asked him in front of everyone what he meant. He said, "Tonight I will sleep good because finally I have some hope. You have given us a vision of a better company." The amazing part was that I did not speak about vision up to this point. Rather I dealt with the basics and they saw the vision.

So now I was in a quandary. His statement scared me more than I would like to admit. Suddenly I became conscious of my enormous weight of responsibility. Now not only did I have to put food on the table for my wife and newborn on the way, but also I had to put food on the table of all of these employees and their immediate families. Not even mountainclimbing in the Himalayas had scared me more. If there was ever a moment in my life when I felt completely lost and helpless this was it. Nor did I know what to do next. I did not know what to say. In front of the employees, I took a chair, turned its back to them and straddled the chair facing them and closed my eyes. Not knowing what to do I surrendered and said, "God I leave it all up to you." The questions came back to me again, "Why the heck am I here?"

Jim Channon's words rang in my head, "Rick, only do what works and drop everything else." Well, so far tapping the group's collective wisdom had worked. So I turned to them and asked, "Why are you here?" Confusion spread across their faces like a silent shadow. They did not understand my question. I invited them to move their thinking from the left-brained to the right, something unfamiliar to most engineers and programmers ... or so I thought.

"Why are you here? Why are you working at this company? Why did you choose the career that you did?" Granted, tech was high paying and we were one of the best paying tech companies in Pakistan. But why did they make these choices?

One by one as they went around the room, they each spoke about "their Purpose in Life." As I was hearing this, I could see through one of the windows the setting sun illuminating another banner of bin Laden and Sheik Omar. Here these beautiful young people were talking about not only their Life Purpose but also the satisfaction that they get by creating a computer program, seeing it work, and serve its Purpose. They spoke about the importance of being connected with the rest of the world and their fear of being left behind. Their X-Files screensavers, the Coke cans on their desks, the HP computers, the Cisco routers, their Levi's blue jeans and U2 CDs spoke volumes about their desires.

I realized at that point that one small company could be more powerful in bringing about positive change than could an army of soldiers. The more they spoke about their Life Purpose, the more I saw the beauty in each person. I realized why I was there. That is when it happened: they turned the question back to me and asked, "Mr. Rick why are you here?" With a peaceful smile I said to them, "My purpose is to inspire others to discover and live their Life Purpose, and one of my gifts and talents is building organizations. I have vision of building a company that makes a difference. That is why I am here."

Postscript:

I felt the energy of spirit pulsing in the room and I still felt it throughout the company upon my return to NYC. I was still a businessman and knew that the ultimate scorecard counted dollars and cents. Over the next few weeks productivity and growth surged. Revenues increased 100% in the first month and another 50% in the second. We had a 10-fold increase in biddable new requirements. Our new challenge was dealing with the volume of customer proposals.

On the one hand I regret to say that my part of the story ends here. In June 2004 a management buyout ended my contract. The happy part is that the legacy I left behind now thrives in the hands of the employees. To this day I receive emails from many of the company's stakeholders (employees, managers, investors, and clients). Of all things, what they most remember is the story that you can "do well by doing good."

That is when it happened: they turned the question back to me and asked, "Mr. Rick why are you here?"