NATIONAL BEST-SELLER

DEATH *by* Meeting

A LEADERSHIP FABLE

...about solving the most painful problem in business

PATRICK LENCIONI

AUTHOR OF THE *NEW YORK TIMES* BEST-SELLER *THE FIVE DYSFUNCTIONS OF A TEAM*

INTRODUCTION

“If I didn’t have to go to meetings, I’d like my job a lot more.”

It’s a remark I’ve heard from many of the leaders I’ve worked with over the years. I used to think that it was understandable—even humorous—but I’ve come to the conclusion that it’s actually a sad comment on the state of our business culture.

Imagine hearing a surgeon saying to a nurse before surgery: “If I didn’t have to operate on people, I might actually like this job.” Or a symphony conductor preparing for a performance: “If it weren’t for these concerts, I would enjoy my work more.” Or even a professional baseball player: “I’d love my job if I didn’t have to play in these games.”

Ridiculous, right? But that’s exactly what we’re doing when we lament our meetings.

Think about it this way. For those of us who lead and manage organizations, meetings are pretty much what we do. After all, we’re not paid for doing anything exceedingly tangible or physical, like delivering babies or kicking field goals or doing stand-up comedy. Whether we like it or not, meetings are the closest thing to an operating room, a playing field, or a stage that we have.

And yet most of us hate them. We complain about, try to avoid, and long for the end of meetings, even when we’re running the darn things! How pathetic is it that we have come to accept that the activity most central to the running of our organizations is inherently painful and unproductive?

All of this is an unnecessary shame because meetings are critical. They are where presidential cabinets discuss whether or not to go to war; where governors and their aides debate the merits of raising or lowering taxes; where CEOs and their staffs consider the decision to launch a brand, introduce a product, or close a factory.

And so my question is this: If we hate meetings, can we be making good decisions and successfully leading our organizations? I don’t think so. There is simply no substitute for a good meeting—a dynamic, passionate, and focused engagement—when it comes to extracting the collective wisdom of a team. The hard truth is, bad meetings almost always lead to bad decisions, which is the best recipe for mediocrity.

But there is hope. By taking a contrarian, nontraditional view of meetings, and following a few specific guidelines that have nothing to do with video-conferencing, interactive software, or Robert’s Rules of Order, we can transform what is now painful and tedious into something productive, compelling, and even energizing. In the process, we can also differentiate ourselves from our competitors who continue to waste time, energy, and enthusiasm lamenting the drudgery of meetings.

To illustrate how this can be accomplished, I’ve written a fictional story about an executive in a unique struggle with meetings. Following the story is a practical description of my suggestions for implementing these ideas in your organization.

Good luck as you work to make your meetings more effective, and restore some of the passion that you and your people deserve.

The Fable

PREVIEW

Casey McDaniel had never been so nervous in his life. Not when he was a sixteen-year-old preparing to speak at his father's funeral. Not before he proposed marriage to his wife. Not when he stood over a nine-foot putt that would win or lose the biggest golf tournament of his career.

No, this was the moment. In just ten minutes The Meeting would begin, and Casey had every reason to believe that his performance over the next two hours would determine the fate of his career, his financial future, and the company he had built from scratch. For a moment he thought he was going to be physically ill.

How could my life have unraveled so quickly? he wondered.

PART ONE

Flashback

THE MAN

Most of his employees would describe Casey as an extraordinary man—but just an ordinary CEO.

On a personal level, they genuinely liked their leader. Casey was a devoted husband, a loving father to his four children, a committed parishioner at Sacred Heart Church, and a helpful friend and neighbor. It was almost impossible not to like—even admire—the man.

Which made his limitation as a leader all the more mystifying.

HIS STORY

The McDaniel family had lived modestly in Carmel for the past fifty years, and Casey grew up on or around the many golf courses in the area, usually as a caddy or gardener. His affinity for golf was matched only by his love for computers, so he left home after high school to attend the University of Arizona on a golf scholarship, where he studied electrical engineering and computer science. Four years later he graduated toward the middle of his academic class, but at the top of the Pac-10 Conference in golf.

The lure of joining the PGA Tour, and someday playing back home at Pebble Beach in front of friends and family, was too much for Casey to resist. So he joined a qualifying tour where he quickly became one of the more popular players on the circuit with his quiet humor and generosity toward any fellow golfers who needed a little advice about their stroke.

Over the course of the next five years, Casey won a few more than his share of second-tier tournaments and earned enough money to keep his head far above water. But just as he was about to break through to the big tour, he developed a chronic case of what golfers call the yips—an almost clinical disorder that makes it difficult to remain steady while in the act of putting. Plenty of promising players had their careers cut short by the pseudo-psychological yips, and Casey reluctantly counted himself among them.

Never one to let disappointment keep him down for too long, Casey returned home with a new sense of purpose—and an idea. In a matter of months, he got married, bought a tiny bungalow with the earnings he had saved, hired two local programmers, and began hacking away at what he believed would be the most realistic golf video game that the market had ever seen.

The initial results would wildly exceed even his expectations.

BREAK

Within two years of launching his company, Yip Software, Casey released his first product, which immediately set the standard for realism in all sports-related games. Because of his in-depth background in the sport, the game reflected deep knowledge of many of the subtle aspects of actual golf venues, including of course, the putting greens.

Almost immediately the game became a favorite of the most important focus group of customers imaginable: golfers themselves.

Because he had become close friends with many players who were now on the tour, Casey was able to arrange inexpensive but effective sponsorship deals with a few of the better young players. But it was a purely accidental occurrence that propelled Yip’s success beyond being a niche video game and onto the pages of *Sports Illustrated.*

One of Casey’s friends won his first PGA tournament less than a year after the product had been released. During his post-tournament press conference, he was asked about the improvement in his putting. Almost embarrassed, he admitted, “I can’t believe I’m going to say this, but I think it may have something to do with a video game I’ve been playing lately. . . .”

And the cat was out of the bag.

THE RIDE

Almost immediately, serious golfers everywhere, many of whom hadn’t played a video game in their lives, were calling Yip’s 800 number to order a game. Casey quickly opened a small office, hired a dozen employees, and held on for dear life.

Before long, the game would be available in almost every pro shop and game store in the country. The next eight years of Casey’s life would be an iterative exercise of hiring more people, programming new games, marketing to more stores, moving to larger offices. Not to mention having more kids.

By the tenth anniversary of the company (and his marriage), Casey and his wife, Patricia, were raising four children, and his company had brought eight successful games to market, covering golf, cycling, and most recently, tennis. Thanks to Casey’s attention to detail, the games consistently gained notoriety for their accurate depiction of real-life venues around the world, from the links at St. Andrews in Scotland to the hills of the Pyrenees Mountains in the Tour de France to the grass courts at Wimbledon.

From the beginning, Casey refused to produce violent, fantasy-oriented games aimed at kids. Instead, he insisted that Yip's products be focused on sports, and always realistic and innovative. As a result, Yip developed a strong following among adults and older teens who considered themselves relatively serious athletes.

More than the brand he had built, however, Casey was proudest of the fact that he employed almost two hundred people, many of whom had grown up with the company. And he couldn't deny the pride he took in his headquarters site, a beautifully renovated historic building in Old Monterey.

On a local level, Yip had become a shining star in the community, providing more professional jobs than any nonindustrial venture in the area other than the famed aquarium. Casey had transformed an idea into a niche company that was the darling of his hometown, not to mention an unqualified success story in the industry.

But like so many success stories, there was another side to Yip and its CEO. And it was as baffling as it was undeniable.

MEDIOCRITY

Even Casey's biggest supporters, and he had many, would privately concede that Yip Software might have been twice its current size under the stewardship of a more focused and disciplined leader.

It wasn't that Casey was incompetent or uninterested in business. In fact, he had an extraordinary knack for sensing what customers were looking for and tweaking products to meet their needs long before his competitors realized what was happening. As a result, Casey had developed a reputation for understanding his market as well as any analyst, journalist, or executive in the industry.

In theory, the company's results should have spoken for themselves. Yip had never failed to make a profit and had consistently garnered awards for its products. To the naked eye, Casey and his company looked like a driven, determined enterprise.

But in reality, the firm was something of an under-achiever. And it started with Casey, who seemed to be just as satisfied with squeaking out a win by a narrow margin as he was with scoring a decisive victory. If the numbers added up at the end of each quarter, and he was able to squeeze in a few rounds of golf every week, Casey was content—even happy.

His employees, however, were merely satisfied. Even complacent. They had grown accustomed to the fact that the company would somehow find a way to hit its targets, meet its payroll, and have just enough cushion left over at the end of each year for modest annual raises and a grand summer picnic. No one ever seemed to worry about Yip's fate.

But something was definitely missing. For a company that made popular, state-of-the-art video games in a beautiful place like Monterey, California, there was a surprising lack of excitement among the people who worked there. And if anyone doubted this, they would only have to observe five minutes of the Yip executives' weekly staff meeting.

THE RITUAL

Lethargic. Unfocused. Passionless. Those were the most common words that visitors used to describe what they witnessed after attending even part of an executive staff meeting.

The Yip executive team was painfully aware of their tedious weekly ritual. But they decided long ago that it was an innocuous problem, one of the necessary evils of doing business. Besides, they reasoned, every other company's meetings were probably just as bad.

But they had underestimated the magnitude of the problem. It certainly never occurred to them that the company's culture would come to mirror those meetings.

MALAISE

Unlike their aggressive competitors, Yip employees almost never felt compelled to stay at the office into the evening or come in on weekends, and they didn't talk much about work outside the walls of the company. Among rank-and-file employees, competitive information or industry news rarely found its way into hallway discussions, seemingly nudged out by more relevant topics, like television, youth soccer, and coastal fog.

Whenever employees ventured away from Monterey to attend a trade show or industry conference, they always came home fascinated by the passion that customers and distributors felt for Yip's products, and how much this contrasted with the attitude of Yip's own employees.

Even new hires were surprised about the lack of passion they encountered after joining the company. But like their co-workers, they quickly learned to accept that Yip was never going to realize the full potential that its products deserved because of what they would describe as the subtle mediocrity that pervaded the organization.

And yet, in spite of all this, people rarely left the company. After all, their leader was an exceedingly good man, and not as bad an executive as many of the other CEOs they had worked for. Besides, where else would they go? There were no better job opportunities in the tourism-dominated coastal community.

Even the most ambitious employees had learned to accept their situation because they couldn’t imagine living anywhere else. As long as Casey was the sole owner of Yip, that was just the way things would be.

But things have a way of changing.

PART TWO

❖

Plot Point

FIRST DOMINO

There was never any doubt among the executives that employee morale was a little lower than they would have liked. But it was never bad enough, in their opinion, to warrant much attention.

Until the day Casey hired the company's first vice president of human resources, Michelle Hannah. Within weeks of joining the firm, Michelle conducted an employee survey to get a sense of her new company. The data she received indicated that morale was indeed lower than in other organizations where she had worked, and more important, that employees throughout Yip "seemed largely unconcerned about the business," as she described them.

Strangely, Michelle's presentation awakened and unnerved the executives a little. Somehow, having real data about a problem that everyone already knew existed gave them greater cause for concern. And while no one had ever seemed interested in addressing the issue before, suddenly they all had strong opinions about it.

Matt McKenna, the skeptical head of product development and the technical brains behind Yip's games for the past seven years, speculated that employees were frustrated by the organization's never-ending pursuit of new products and features. "I think people would just like to stick with one thing for a while, and focus on quality," he pleaded, in a way that suggested the complaint was his own, not that of employees at large.

Sophia Nikolas, Yip's VP of sales, had a completely different take on the situation. With her customary enthusiasm, she made a pitch to the team that they had heard many times before. "I know we've always been against this, but maybe we need to reconsider our decision not to do fantasy and adventure games for kids. I'm out there every day, and that's where the market's growing fastest."

Casey shook his head and thought out loud. "I think our people just need something to rally around. A new goal or a challenge." A few heads began to nod, and it seemed that Casey had come closest to identifying the issue. Unfortunately, before anyone could confirm their CEO's insight, the next opinion was on the table.

It came from Tim Carter, Yip's unsophisticated and outspoken CFO. As usual, he was more ardent in his theory than his peers, and his declaration had a financial spin to it. "Listen, our employees have been watching our products win awards for almost a decade now. I think they're wondering where the financial upside is."

No one wanted to comment on Tim's remark, both because they weren't convinced he was right, and because they knew how sensitive a subject it had become over the past few years, especially for Casey.

And then Connor Michaels, Yip's jovial head of marketing and sports research, nodded his head just slightly, causing the room to look his way. Casually, he admitted that he shared some of Tim's sentiments, but kindly joked that he had come to accept what he called "his fate."

While each theory struck a chord in him, it was Connor's comment that kept Casey awake that night. Though he had never really been motivated by money, Casey took pride in the notion that he was helping employees pay their mortgages, go on nice vacations, pay their children's tuition, and contribute to worthy charities. The idea that they might be feeling under-rewarded was a painful pill for him to swallow, and he couldn't deny that any responsibility for unrealized potential at Yip fell squarely on his shoulders.

MISDIAGNOSIS

Until that moment, Casey had always justified the apparent complacency of his employees as a desire to have balance in their lives. For the first time since founding the company, however, he wondered if he had simply been letting them down.

After initially deciding to dismiss the concern, Casey found himself increasingly distracted by it. Whenever he encountered someone who seemed less than enthusiastic about work, he couldn't help but wonder if they had lost interest because of the financial issues that Tim and Connor mentioned. Casey gradually came to the conclusion that something had to be done.

And so, on the night of Yip's tenth anniversary, Casey rented a local restaurant on Cannery Row for a company celebration. After dinner he toasted his employees and made an announcement he would soon regret: he was going to take the company public.

Overriding his fears, Casey decided it was time to give his people the financial payoff they deserved. Unfortunately, when Casey announced that he was going to do something, he almost always found a way to get it done.

MIRAGE

Casey and Tim immediately made arrangements to meet with bankers to begin laying the foundations for an initial public offering. It was something that Casey had vowed he would never do, not wanting to subject himself to the whims of a formal board of directors, and more importantly, “the street.” But now he felt that he somehow owed it to his loyal employees. “And maybe I need a new challenge,” he unconvincingly reasoned with himself.

And then, after a few weeks of reluctant planning, Casey stumbled on an opportunity that he suspected was too good to be true. He should have trusted his instincts.

The call came from J.T. Harrison, head of business development at Playsoft, the nation’s second-largest maker of video games. The San Jose–based company had been built on more traditional video games targeted at kids, and was underrepresented in the sports market. As their target customers began to age, it seemed wise to consider moving into a category that might appeal to the buyers they liked to refer to as “older kids.” And that’s where Yip came into play.

Initial research by Harrison’s team at Playsoft indicated that Casey McDaniel’s company was an underperformer, especially considering the superior technology it had. That would make it the perfect acquisition vehicle for getting into the sports market quickly and cheaply, without having to spend two years in product development. If they could just improve Yip’s performance, it was a chance for a home run.

Though Casey didn’t like the idea of being part of one of the typical game companies, he decided to entertain the idea of selling Yip to Playsoft. But only on three conditions: he would continue to run his company autonomously, he would retain his entire management team, and he would be allowed to keep the Yip name as a separate, wholesome, sports-oriented brand.

If Playsoft’s CEO, Wade Justin, would agree to those terms, Casey decided it would be a great opportunity to give his people the financial upside they deserved, without losing control of the company he had built. And besides, it would allow him to avoid the risk and stress that going public would entail. “The best of both worlds,” was how he explained it to his wife the day he submitted the offer to J.T. Harrison. “But they aren’t going to like it.”

Surprisingly, Playsoft’s executive team immediately agreed to the conditions. Wade Justin personally assured Casey that his company knew little about the sports game market and would not want to interfere with an already successful brand. He explained that several other divisions within Playsoft had almost complete autonomy and separate brand identities.

And so, within just weeks of the initial proposal, the deal was closed. Casey would receive, and distribute among his employees based on their time with the company, hundreds of thousands of shares of Playsoft stock, which they could sell after an initial six-month holding period.

He could not have imagined how little gratitude they would be feeling toward him when that time came.

ALARM

For the first few weeks after the acquisition, Yip employees bordered on giddy. Though nothing had really changed in their daily routines, their newfound paper wealth did wonders for morale. And while many of the old-timers were certainly enjoying the idea of shopping for new homes or cars, more than anything they felt a sense of validation that their patience had finally paid off.

And then something happened that changed everything.

Casey would never forget where he was and what he was doing when he heard the news. His CFO, Tim Carter, came by his office early one morning while he was talking to his real estate agent. Tim looked like he was about to be sick, so Casey abruptly ended his call.

Before Tim could speak, Casey commanded, “Shut the door.”

Then Tim began. “You haven’t logged on yet this morning have you?” It was more of a statement than a question, because Tim knew that if his boss had logged on, he would look sick too.

Casey braced himself. “No, why? What’s going on? Another terrorist attack?”

“No, nothing like that, thank God.”

A sigh of relief from Casey. “Oh, you had me scared.”

Tim continued. “The market’s down more than 12 percent since the opening bell.”

“What about—”

Before he could finish the sentence, Tim answered the question. “Playsoft’s down almost nine.”

“Well at least we’re doing better than. . . . ”

“Nine *points,*” Tim explained.

Casey looked almost sick. “This is bad.”

Little did he know.

SECOND DOMINO

Over the course of the next three weeks the market, and Playsoft’s stock price, continued to slide. The mood in the office dropped lower than it had been in years. Casey was torn between two emotions: disappointment in himself for selling the company, and anger at the Playsoft executive team for not managing their business better. But he was a