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LEADERSHIP & BUSINESS PODCAST

EPISODE 81: DAVE HEENAN – LEAVING ON TOP

Ken White

From the College of William & Mary in Williamsburg, Virginia. This is Leadership & Business. The weekly podcast that brings you the latest and best thinking from today's business leaders from across the world. We share the strategies, tactics, and information that can make you a more effective leader, communicator, and professional. I'm your host Ken White. Thanks for listening. Well, we've all seen it the CEO, the leader, the athlete who continues in the role despite the fact their best days are clearly behind them. Clinging to a role in which you're no longer effective can tarnish an otherwise outstanding career and reputation. For many professionals knowing when to leave or move on can be extremely difficult. Some exit at the right time when they're on top. Many others wait too long. Dave Heenan is a career executive, educator, and author. In his book *Leaving On Top: Graceful Exits for Leaders*, he examines the many ways leaders approach the end of their tenure. He also shares strategies for planning a successful farewell. He joins us on the podcast today to share what he learned about the psychological challenge of leaving a leadership position. Here's our conversation with Dave Heenan.

Ken White

Dave, thank you for joining us. You've been teaching for us the last several weeks. It's great to have you here. How's your experience been?

Dave Heenan

Terrific. This is my alma baby. So to come back 40 years later and see brighter faces, and you know, I mean, one of the things one notices immediately is the diversity that absolutely wasn't there in the 50s and 60s.

Ken White

Right.

Dave Heenan

And that's encouraging. And, of course, it's a much bigger university.

Ken White

Yeah.

Dave Heenan

But the kids are terrific. I mean, they're as good as any place that I've I've taught, and that's been Wharton, Columbia, and Georgetown, and so forth, so I'm impressed.

Ken White

Yeah, that's great. They are the students here are flat-out amazing. You've had a wonderful career, and throughout your career, you've found time to write several books actually. What is it about writing?

Dave Heenan

There are. Actually, there are 10 of them. Some reviewers have suggested I've written more than I've read unkindly.

Ken White

Well, what. How do you get into writing? I mean, you're a busy guy.

Dave Heenan

Well, it's a double life. You know, a while back, when I was a Marine in Vietnam, somebody flipped me a book called The Andromeda Strain by Michael Creighton. And so I read the thing, and I get into the forward. And lo and behold, he wrote that between his second and third year of Harvard Medical School.

Ken White

Wow.

Dave Heenan

With those guys have like seven minutes discretionary time, and I said, you know, if he can do something like that, I ought to get off my butt

Ken White

Right.

Dave Heenan

and try to emulate him a little bit so.

Ken White

Do you enjoy writing?

Dave Heenan

I do, as you know, publishing of the three stages writing it, selling it to a publisher, and then selling the book.

Ken White

Right.

Dave Heenan

Three different skill sets.

Ken White

Very much so.

Dave Heenan

And they can all be very difficult. But yeah, I mean, the fun is meeting these people and getting stuck into it.

Ken White

And you definitely talked to a number of people about for your book Leaving On Top. What caused you what made you write something about leaving on top? How did you get on that subject?

Dave Heenan

Well, you know, I've just seen so many people we all have. Sports, entertainment, business, or what have you who just have a hellish time deciding how and when to make a graceful exit. I think men, especially who treat it, particularly retirement, as something halfway between castration and euthanasia and they, and they hang on too long, you know, way past their expiration date, and you remember the old Kenny Rogers you got to know when to hold em and know when to fold em. So it set me off on this track of looking at people, and I profiled 20 in the book.

Ken White

Right.

Dave Heenan

Who are dealing with the issue half? Of them, unfortunately, messed it up. The other half did, in fact, pull it off.

Ken White

And it was a wide range of people from business to sports, athletes, entertainment. Do you have a favorite chapter or a favorite?

Dave Heenan

Well, an interesting chapter is on how to do it and how not to do it because you can leave head first or feet first and sort of a classic is Johnny Carson and Ed McMahon, you know. I mean one of the great partnerships in show business ever. And Johnny was called the king of the night during his heyday, which was three and a half decades. His audiences ranged from 20 to 40 million people. Many people took a pop at him into night and couldn't touch him. But then, all of a sudden, at age 66, he made the announcement to the studio networks and the broader audience that he was packing it in. People were absolutely shocked, and you know, one guy said how the hell can you give up the best-paying gig? At the time, this is 92. He was making 20 million bucks a year.

Ken White

Wow.

Dave Heenan

For just doing 3 60 minute appearances.

Ken White

Yeah.

Dave Heenan

And he said you know, I just felt in my gut the timing was right to get off stage, and I didn't want to do anything that would embarrass my reputation. And for the next 13 years, he was hounded with delicious opportunities to come back. Other than doing an occasional Academy Award show, he whiffed on all of them and said tonight will serve as my legacy. I don't need to stoke my ego by going back in front of the camera. Now you contrast that with Ed McMahon, and they basically left together left the show together. And Ed had a good six-seven-year run as an afternoon TV game show host. But as he started to push into his 60s and 70s, those gigs started to dry up, and for the life of McMahon could not deal with retirement. And as you may know, in his latter years, he had a litany of health, financial, legal problems, and the net of it is he died at 86, four years after Carson. But in very tragic circumstances. So Johnny went out head-first, big Ed, unfortunately, went out feet-first.

Ken White

Right. But it's not necessarily an age thing. In the book, because you profile younger people, so it's not I'm reaching 75, do I get out, or what have you.

Dave Heenan

No, and when I present the book it's, it's really about life transitions moving from A to B to C, and as we talked beforehand, there are Olympic athletes that you know reach their peak at age 20. And you know what do they do next. How do they make an exit? How do they transition? Sports figures, in particular, can have a tough time with that.

Ken White

Absolutely and that was one of my favorite chapters in the book was Eric Heiden, who I remember was it was a great Olympian speed skater.

Dave Heenan

And then he played pro hockey. He was a great in his day. He was a better bicyclist than Lance Armstrong.

Ken White

Yeah.

Dave Heenan

And of course, he then went to Med School Stanford and was and became a great orthopedic surgeon along with his wife. But he, you know, Lily Pad jumped from A to B to C and then Dara Torres, who's in that same chapter. You know she was Miss wonderful. She just missed doing six Olympic Games. And she, I mean she missed by three-quarters of one-second qualifying for the London Olympics.

Ken White

Amazing.

Dave Heenan

Yeah.

Ken White

Amazing.

Dave Heenan

Yeah.

Ken White

How much of it is psychological? When to get out, I mean, I'm assuming it's a great deal. But you know.

Dave Heenan

Well, it's tough because most of the people I talked to were leadership positions or at the top of their peak. And those people tend to be their own worst self-evaluators. They really are. And you know who do they turn to for some straight talk.

Ken White

Right.

Dave Heenan

Because most people have been blowing smoke at them.

Ken White

Absolutely.

Dave Heenan

For years and years and, rather than these guys taking a chance and swimming in new waters, they tend to cling to the familiar, their work, their jobs. And if they aren't very, very careful, those jobs can become self-imposed prisons. You know, like Johnny Wooden's great quote, don't let making a living prevents you from having a life. And some of these people, you know they, do get stuck into it and just don't know when to cut the cord.

Ken White

You speak very specifically in the book about four exiting types that you found, and you categorize them. Let's talk about those. The first one you talk about is timeless wonders.

Dave Heenan

Yeah, timeless wonders are great. These are people who treat leaving certainly treat with retirement like an early death, something to be avoided at absolutely all costs. And they're, you know, they range from Warren Buffett to Henry Kissinger to Andrew Day O'Connor to the actress Betty White. And these people in their 80s and 90s are able to perform at a very very they're national treasures.

Ken White

Yeah.

Dave Heenan

And we don't want them packing it in, but I would point out Ken that these people are in a very distinct minority.

Ken White

Absolutely.

Dave Heenan

There ain't many of them out there.

Ken White

I was thinking the same thing. Every name you mentioned, there's only one of them in that field able to pull this. So they're very special.

Dave Heenan

They're very special people.

Ken White

And so, setting your goal to be a timeless wonder may not be the smartest.

Dave Heenan

That's right. Yeah.

Ken White

We'll continue our conversation with Dave Heenan in just a minute. Our podcast is brought to you by the Center for Corporate Education at the College of William & Mary. The Center for Corporate Education can help you and your organization reach your goals with a leadership development program specifically designed for your organization and delivered by our world-class business school faculty. If you're interested in learning more about the opportunities at the Center for Corporate Education, visit our website at wmleadership.com. Now back to our conversation with Dave Heenan.

Ken White

And you have aging despots as another.

Dave Heenan

Yeah, aging despots want to act like timeless wonders. They stick around well after their expiration dates they lose their fastball. Some would argue they never had one in the first place on the global scene. Mao and Marcos, Stalin and Sukarno, Gadhafi and Mubarak would all be classic examples. Fidel Castro would be in that category, and he had the

classic remark on his longevity of revolutionaries do not retire. So he wasn't going to make a graceful exit.

Ken White

Right.

Dave Heenan

Yeah.

Ken White

Fought it all the way.

Dave Heenan

Yeah.

Ken White

The comeback kids.

Dave Heenan

That's the comeback kids are an interesting gang because they're people who, for a variety of reasons, left the world of work but have decided to boomerang back. On the business side, these so-called encore executives range from Howard Schultz to Charles Schwab to Michael Dell, Steve Jobs, and a bunch of other people who, in many cases, came back to prop up their sputtering companies. But I think even more importantly. They returned to prop up their potentially faltering reputations. Another group of them are just bored and are looking for another shot of adrenaline. Football coaches like Joe Gibbs, Dick Vermeil in the college ranks a guy named Bill Snyder at Kansas State.

Ken White

Sure.

Dave Heenan

All came back really for another shot of adrenaline. And then you've got other comebackers who return for economic reasons for the bucks. I mean, among them, think of the heavyweights Joe Lewis and Evander Holyfield, Mike Tyson men who blew multi-million dollar fortunes in the ring only to come back for give me one big payday.

Ken White

One payday, absolutely. Yeah. How successful is that group when they return?

Dave Heenan

It's a real mixed bag. On the corporate side, the odds are two out of three that you're going to flop in large part because people tend to gravitate to the success factors that got them through the first phase.

Ken White

Of course.

Dave Heenan

And things have changed.

Ken White

Right.

Dave Heenan

In coaching, offenses have caught up with something, and so and they just can't make that sort of transformational changes that you need to be successful in your return.

Ken White

And your final category is the graceful exiters.

Dave Heenan

Yeah, these are like you and me. These are smart guys.

Ken White

Speak for yourself.

Dave Heenan

These people who get the timing right who leave on their own accord. These are people who, by and large, believe that lifestyles careers can and should be elastic and that one of the great tests of personal development is the ability to change skins to molt and to move in new and exciting directions and when a classic example in the book and otherwise is Roger Staubach. The Great Hall of Fame Cowboy quarterback who translated his success on the gridiron into a very, very successful real estate empire, The Staubach company, which he sold several years ago for 618 million bucks.

Ken White

Not bad.

Dave Heenan

But yeah not bad but people again like Staubach are prepared. I mean, they smell the timing, they're realistic, and they also are adventuresome. They're able to put the familiar aside and jump into some very, very difficult and, in many cases, quite challenging directions.

Ken White

Wow, that's tough.

Dave Heenan

It is tough.

Ken White

I mean, when you feel you're on top to do that.

Dave Heenan

No, it's really hard.

Ken White

How do you know when it's time? Like you said earlier, you know CEOs and leaders often don't have that confidant.

Dave Heenan

Yeah, well, I mean, there's sort of a checklist, and it would start with the issue of do you really want to get off the horse or would you prefer to stay in the saddle. I mean, you've got to be honest with yourself. Secondly, you kind of a micromanager or somebody who's to get stuck and does get stuck into everything, or you're somebody who can give up the reins and delegate. Are you going to be comfortable identifying and working with your successor? And what role, if any, do you want to play in the transition? Another issue is how will your family and friends and the rest of the enterprise react to your exit. And, importantly day can you afford it? You don't want to run out of dough, right?

Ken White

Sure.

Dave Heenan

For you know, for an individual contributors for doctors, for lawyers, for engineers, those kind of folks, athletes, you want to be honest with a question, can I. Do I still have the spunk and the spirit to retain my audience and fan base? And then, finally, I'd add is your

plan to exit in sync with your spouses or partners. Have you put together a comprehensive exit strategy? If the answer to all of those questions, Ken, is yes, then God bless you.

Ken White

Yeah.

Dave Heenan

You can cut out.

Ken White

Right.

Dave Heenan

If it isn't my advice to stick with your day job, you know, give it your all remain passionate about it.

Ken White

How much does give someone else a shot come into play? I've been the leader for so long. For crying out loud, there are good people in this company who would like a shot at this. Is that the something that the leaders obligated to do or not?

Dave Heenan

It really depends. I've been on eight public boards, and I've seen it go both ways, and I've seen actually a couple of guys not want to freeze things up at the top and, in many respects, left earlier than they probably should have.

Ken White

Sure.

Dave Heenan

They still had more to offer, and their successors, in many cases, could have used some coaching. Most of them, however, particularly founders with their names on the door. Their identity is totally locked up in the company. They have a horrific time trying to cut the cord. In many cases, you know they've built a business all of their energies are devoted to it. They ain't playing golf and doing other things. I mean, they are stuck into it.

Ken White

Right.

Dave Heenan

And the exit dimension in passing the reins over to somebody else is just incredibly difficult.

Ken White

Any differences that you notice between men and women facing the exit?

Dave Heenan

Well, I think, and the women are going to love it. I just think women typically tend to be more flexible on a variety of things, and this is one. Men just get in terms of their self-identity, self-awareness, are so linked to the job and the job description that busting away from that is a real psychological loss for them. It's almost like a death. Women, I think maybe it's childbearing activity or what have you. They tend to roll with the punches a lot better than men.

Ken White

And you see men identify that their very being with the job.

Dave Heenan

Absolutely yeah.

Ken White

Yeah.

Dave Heenan

I did another book that you're probably aware called Double Lives. It's about people who had another side to them, and part of my advice is develop a second or third avocation so that if you get blindsided like the ESPN announcers a couple of days ago.

Ken White

Right.

Dave Heenan

You know you're not psychologically shot that you've got, you know you're painting, you've got a book, you've got a small business on the side, or something that you can land on that's going to prop you up.

Ken White

Yeah.

Dave Heenan

Yeah.

Ken White

So any advice as we wrap up for someone who might be thinking, you know, maybe I need to start thinking about an exit at some point here?

Dave Heenan

Well, you know, I think do it early. I mean, there are no magic bullet despite the book.

Ken White

Right.

Dave Heenan

I mean, moving into the next season of one's life is challenging. I liken it to being high up above the ground on a trapeze where you're trying to swing from one rope to the other. And on the one hand, as you look down, it's very, very frightening. But on the other hand, it's very, very invigorating. I like the closing line of Willy Loman from Arthur Miller's great play *Death of a Salesman*, where Willy looks at his protagonist Ben and says Ben, you know a man can't go out the same way he came in. He's got to add up to something.

Ken White

That's our conversation with Dave Heenan, author of *Leaving On Top: Graceful Exits for Leaders*. And that's our podcast for this week. *Leadership & Business* is brought to you by the Center for Corporate Education at the College of William & Mary's Raymond A. Mason School of Business. The Center for Corporate Education can help you, and your organization meet and exceed your goals with business and leadership development programs that fit your needs and get results. If you're interested in learning more about the opportunities at the Center for Corporate Education for you or your organization, visit our website at wmleadership.com. Finally, if you have a suggestion or comment pertaining to our podcast, we'd love to hear from you. Please connect with us via email. The address is podcast@wm.edu. Thanks to our guest this week, Dave Heenan, and thanks to you for joining us. I'm Ken White. Until next time have a safe, happy, and productive week.