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Members of the MDP Class of 2022-2023 from Andy Davies, 11/23/22

Food for Thought!

At the beginning of Session 4 on December 14, I will ask for 'open discussion/thoughts' about this article... especially the parts that I have underlined in red!

What you may think of Mr. Musk is not important; I ask you to read and think about the parts underlined in red... in your role as **MANAGERS/LEADERS!**

Andy

To: Members of the MDP Class of 2022-2023

Fr: Andy Davies

A very interesting view of Elon Musk's recent actions via comments by other CEOs.

PERSONAL JOURNAL.

The Bosses Who Want To Emulate Elon Musk

Many managers envy his style, push employees for maximum effort



ON THE CLOCK
CALLUM BORCHERS

Your boss probably hasn't demanded a loyalty pledge and almost certainly doesn't own a rocket ship, but the person calling the shots at your company might be more like Elon Musk than you realize.

On the inside, anyway.

The Tesla and SpaceX chief is defying norms in his takeover of Twitter by skipping a newcomer's traditional review period, swiftly removing top leaders and laying off roughly half of the staff. He has made sudden strategic changes and reversed some just as quickly, contributing to a chaotic public image that few executives would want to model.

What is consistent—and alluring to some bosses—is the billionaire's unapologetically high standard for employees. He spelled it out last week in an emailed ultimatum, saying that Twitter employees must commit to "long hours at high intensity" or leave with three months' severance. He also has fired internal critics and vowed to curb remote work, contending a leaner, harder-working team is necessary for Twitter to improve its financial position and compete in a crowded social-media market.

Managers who think the working world has gone soft in recent years, with all the talk of flexibility and work-life balance, say they envy Mr. Musk's unfiltered style and share his craving for maximum effort—even if they wouldn't act quite as forcefully as the world's richest person.

"I think every successful CEO, including myself, is tired of all the whining," says Michael Friedman, chief executive of the New York investment firm First Level Capital.

Mr. Friedman, 57 years old, says his professional ethos was forged in an office where, as a young stockbroker, he didn't earn an assigned desk until he landed his first 100 accounts.

He chafes at the contemporary rebellion against hustle culture, exemplified by the "quiet quitting" phenomenon in which workers keep their jobs but do only the bare minimum.

Would he take as hard a line as Mr. Musk?

"Well, I certainly don't have as many zeros behind my name as he does," Mr. Friedman says.

Mr. Musk's fortune and company-building record could afford him uncommon power to push employees hard. A decade ago at Tesla, for instance, he pressed his team to the brink of exhaustion: "Prepare yourself for a level of intensity that is greater than anything most of you have experienced before," he warned in an email at the time. The company ultimately flourished.

That isn't to say there won't be fallout at Twitter. Hundreds of employees quit in recent days, and

'I think every successful CEO, including myself, is tired of all the whining,' says one executive.

even those who signed his pledge to be "extremely hardcore" may be hunting for jobs elsewhere. "Only exceptional performance will constitute a passing grade," he told employees. Meanwhile, many advertisers have halted or reduced spending at Twitter, and Mr. Musk has said bankruptcy isn't out of the question. He paid \$44 billion for

Twitter, which has posted a loss in eight of the past 10 fiscal years.

Yet he is the rare CEO with a fan base—"Musketeers," as this male-dominated bunch is known—and might be able to fill the company's ranks with devotees who believe in his vision of a more freewheeling and profitable platform and are willing to grind.

That appears to be his bet. And if he fails, he will likely remain fabulously wealthy from other ventures. It is a position that most other business leaders can only wish for.

"He can do whatever he wants, and everyone that has an opinion about it can piss off," says Derek Grubbs, director of sales develop-

ment at Crux Informatics, a software company. "If everybody exits from Twitter, there are plenty of other people who will be ready to enter because it pays well, and working for Elon Musk has a flair to it."

The median salary at Twitter last year was more than \$230,000, according to a Wall Street Journal analysis. It is unclear whether the company will offer additional money to recruit and retain workers in a harder-charging environment. Twitter didn't respond to an inquiry.

Mr. Grubbs, a 36-year-old Navy veteran, says he shares Mr. Musk's strong preference for in-person work but recognizes that it is a tough sell. Charged with hiring a small team after joining Crux in April, he says he lets employees work from home sometimes but requires them to live in Austin, Texas, so that the group can meet regularly in an office.

Jon Arnold, chief executive of J. Arnold Wealth Management in Youngstown, Ohio, says he gave up on hybrid work in June and ordered his 27 employees to report daily to the office, having concluded that people were less productive at home.

He estimates that a typical employee needs to put in 50 to 55 hours a week to hit the goals he sets for them but says that he offers higher salaries than nearby firms and works 65 to 70 hours a week to set an example.

"I run my business very much

like Elon Musk," says Mr. Arnold, 46. "I'm a right-way-is-the-only-way kind of guy."

He adds that he has fired receptionists for failing to greet clients with a "good morning" and a cup of coffee.

Still, he says he was forced to acknowledge several years ago that his intensity was driving too many talented hires to quit within three months. Instead of issuing ultimatums, Mr. Arnold says he kept the bar high while softening his demeanor and taking more interest in employees' personal lives—making sure they could get home in time for children's concerts and soccer games, for instance.

Alas, most bosses who admire Mr. Musk can't get away with being as tough as the man himself. They will have to settle for living vicariously through his "hardcore" declarations.