

Private Service

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I enrolled at Yale University as a doctoral student in administrative sciences in September 1977. All kinds of changes were occurring around me. A new school, the School of Organization and Management (SOM), had been established the year previous to my arrival at Yale. The Administrative Sciences Program shared its faculty and even a few of its classes with the School of Organization and Management, which offered a master's degree in public and private management. In return, the SOM provided a brand-new, state-of-the-art facility to house the doctoral and master's programs in management—a facility that was still being built when I arrived. The vision of the School of Organization and Management and the purpose of the new degree it offered was to train managers for working in both government and business, the so-called public and private sectors. The school's founding dean, Bill Donaldson, wanted to create a cadre of managers who could move freely between the worlds of government and business. He took a personal interest in student admissions to the new program to ensure that every student had interest and experience in both the public and private sectors. He expected that half of the graduates of the program would launch their careers in the public sector

and half in the private sector; he also expected that both groups would not view their careers as bound to either sector.

There was something noble and inspiring about Bill Donaldson's vision for the School of Organization and Management. Certainly he had nothing against making money—he had made a lot himself as the senior partner and founder of the brokerage house Donaldson, Lufkin, and Jenrette—but at the same time he felt a sense of civic duty to the nation that had made his success possible. He believed there was more to life than making and spending one's fortune; there was public service.

By the time I left Yale in 1981 for my first faculty appointment at Purdue, Bill Donaldson had already left Yale's School of Organization and Management. In that brief span of time, his shining vision had been tarnished. It became clear as soon as the SOM's first graduating class entered the job market that something had gone awry. Instead of the half-and-half mix of graduates taking jobs in government and business, nearly all the graduates took jobs in business. Many of the graduates felt

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conflict in this choice, but it was difficult to turn down a private sector job that in some cases paid three times as much as a public sector job. Unfortunately, Bill Donaldson took the economically motivated decisions of the SOM's graduates personally. He felt betrayed because most of the SOM's graduates chose an opportunity to enrich themselves over an opportunity to serve. He left Yale more cynical than when he arrived, believing his grand experiment had failed. In his mind, there was a clear separation between business and government—business was about making money and government was about service.

We can give many kinds of service. Robert Coles, in his book *The Call of Service*, identifies seven different kinds of service: (1) social and political struggle; (2) community service; (3) personal gestures and encounters; (4) charity; (5) religiously sanctioned action; (6) government-sanctioned action; and (7) service to country (Robert Coles, *The Call of Service* [Boston: Houghton Mifflin, 1993], pp. 31–67). We could use other means of differentiating between service activities, such as specifying the settings in which service occurs. This approach might lead to the following list: (1) home service; (2) Church service; and (3) university service. Another way is to focus on the target or receiver of service, the logic that created the term *customer service*. Today I want to use the relatively crude distinction between public and private service and focus on private service. The major difference between public and private service is that one relates to the activities of governments or the public sector whereas the other relates to the activities of businesses or the private sector. In the end, however, service is service, and all attempts to distinguish between different kinds of service are somewhat artificial.

A significant event occurred in my life during the summer of 1995, when I was asked to cochair a university committee with Alton Wade, BYU's vice president of student life,

with the mandate to explore “service and learning” opportunities at BYU. Obviously, BYU's Service and Learning Committee was inspired by the words at BYU's west entrance: Enter to Learn; Go Forth to Serve. The first time I spoke in the Marriott Center, I was still a master's student in organizational behavior and my topic was “Enter to Learn; Go Forth and Continue Learning.” Although that speech had some valuable things to say, it ignored the sublime symbiosis between service and learning. Unfortunately, learning without consideration of the service it can provide becomes a self-warming activity. Like the equally symbiotic relationship between faith and works, learning without service is dead. Our committee created consensus around likening the entrance of BYU to a revolving door. Members of this educational community come to learn, leave for either brief or long periods to serve, refine their learning objectives through their service, and return to the university with a renewed and focused desire to learn—thus completing one full turn of the revolving door.

Although I am not certain, I believe I was asked to cochair BYU's Service and Learning Committee because I have consistently made service a part of my Organizational Behavior 320/321 course. The class is taught two days each week in a large auditorium lecture format. Students then divide into lab groups of approximately 25 to 30 students to apply some of the learning they receive during lecture time. Students in each lab are divided into two organizations that do various projects over the course of a semester. The first project is a service project that is required but not graded. Student organizations are expected to plan and implement a project requiring each member to perform at least three service hours; then each student writes about the organizing experience. Papers about the organizing experience are graded. A highlight of lecture time is having representatives of each organization

report on their service projects to the entire class during either the first five minutes or the last five minutes of class.

Over the last 11 years that I have taught Organizational Behavior 320/321 at BYU, these service projects have been an integral part of our learning experience. Moreover, a great deal of good has been accomplished—forests of trees have been planted on fire-ravaged hill-sides; hundreds of gallons of paint have been applied to floors, walls, and playground equipment; homeless people have been fed and provided clothing items such as coats and shoes; dances and concerts have been sponsored to raise funds for deserving charities and causes; a range of people with special needs have been entertained and visited; and the list goes on. Still, one of my favorite projects involved the organization of an indoor soccer league for the Provo Boys' Club that resulted in some organization members spending 10 to 20 times the required three hours.

There was a time when I felt content and complacent because I was promoting these many and varied service projects. I calculated all the service hours I was requiring my students to perform and felt a surge of vicarious self-satisfaction while I remained at arm's length from the needy who were being served. More recently, however, the Savior's stinging words to the scribes and Pharisees have rung in my ears: "These ought ye to have done, and not to leave the other undone" (Matthew 23:23). The fact that I was facilitating the service of others did not excuse me from doing more service on my own. My spiritual diet required more than vicarious service experiences. I personally needed to heed King Benjamin's council: "When ye are in the service of your fellow beings ye are only in the service of your God" (Mosiah 2:17). I needed to launch my own service and learning project. Figuratively, I needed to leave by the revolving door.

What is interesting about standing in the Marriott Center at this moment in time is that

it affords me an opportunity to provide an interim report on my current service and learning project. You see, I am on professional development leave from the university, trying to apply what I have learned over the course of an academic career that spans nearly 20 years to the development of the pharmaceutical industry in central and eastern Europe. By way of introduction, I can say that the process has evolved much like the Savior's growth and development described in section 93 of the Doctrine and Covenants: "And he [the Savior] received not of the fulness at first, but continued from grace to grace, until he received a fulness" (verse 13).

The words *grace to grace* are important to highlight. I count each insight from each service experience for what it is—a saving grace, a redeeming grace, an amazing grace. My process, however, unlike the Savior's, has neither been planned nor intentional, at least the way I have experienced it. Perhaps it is described best by the French word *tatonne*, which means "finding one's way."

What have I learned so far along the way? First, I have learned as described in Matthew 25 that I have been given talents. These are not my talents because they are God-given. I have stewardship over them, but I am also expected to expand them and I will be held accountable for what I do with them. If I am unwise, eventually they will be taken from me. Second, I have learned that the best way to expand my talents is to use them. This may sound like common sense, but it is amazing to me how easy it is for me to treat my talents like precious objects—I may not bury them, but I would much rather display them or talk about them than actually use them. Third, I have learned the answer to the piercing question the people posed to John the Baptist: "What shall we do then?" (Luke 3:10). We should serve God by serving our brothers and sisters. The divine derivative of the parable of the talents is the statement "Inasmuch as ye have done it unto

one of the least of these my brethren, ye have done it unto me” (Matthew 25:40). Finally, I have learned that some of the best service is accomplished as a team effort. Leverage is created by combining my talents with the talents and resources of others.

I received a telephone call in March from a representative of Merck & Company, the large pharmaceutical firm. For those of you who have not heard of Merck, it is a remarkable company. In fact, for six consecutive years during the late 1980s and early 1990s it was rated the number one company in America by *Fortune* magazine. I was asked by this company representative whether I would like to be involved in a major project in the IDEA (International Development of Eurasia) region of Merck. I expressed both hesitation and interest, and we decided that I should visit Whitehouse Station, New Jersey—the location of Merck’s corporate headquarters—to explore further whether our interests meshed.

I spent my first day with Merck making the rounds, being interviewed by anyone who had any connection with the IDEA region. I was briefed and rebriefed about the unique challenges faced by Merck in central and eastern Europe. My final interview was with the president of the region, a Merck vice president named Bernard Brignonnet. Mr. Brignonnet and I started our conversation cautiously, but we quickly became absorbed in a delightful dialogue. At the conclusion of our time together, and somewhat to my surprise, he offered me a job. He wanted me to work with an internal team to develop the strategy and organization design for Merck’s operations in the region through 2005.

So far, the way I have described it, this sounds more like a business decision than a service decision, and under normal circumstances that would be the case, but there is nothing normal about central and eastern Europe. You see, the success of any multinational pharmaceutical company in central and eastern Europe

must be preceded by a prolonged investment period. Unfortunately, most multinational pharmaceutical companies take the low road and use bribes and other forms of under-the-table payments to secure a presence in the region. Merck’s ethical standards are intolerant of any form of unethical business practices, whether or not they fit with local customs, so Merck’s approach is to invest in building the pharmaceutical and health-care industry in each country in which it operates. This is where significant “private” service is rendered.

Let me share with you just a few private service initiatives that Merck has taken in the IDEA region.

Medical study centers. Establishing medical study centers is an initiative that began in Hungary and spread to all but a few countries in the region. Merck negotiates with local government officials for space, usually near the entrance of major research universities, to create medical study centers. The centers become gathering places for local physicians to come and learn the latest information about new medical practices. Merck equips each center with a very good medical library, medical journals, instructional video- and audiocassettes, and access to MedLine. The centers regularly sponsor lectures featuring local opinion leaders who share their most recent research findings.

Donations. Another private service initiative involves donations. Last April, Merck contributed \$400,000 to improve intensive-care pediatric services for children in St. Petersburg, Russia. The donations support training of St. Petersburg pediatricians, nurses, and technicians at Georgetown University Medical Center. They, in turn, will train their Russian colleagues to combat epidemic diseases such as diphtheria, dysentery, and scarlet fever that are infecting alarmingly large numbers of Russian children. (Information drawn from an article entitled “MSD Russia Contributes \$400,000 to Improve Russia’s Intensive Care Services for Children,” which appeared in *The Daily*,

Merck's in-house employee newsletter, on April 11, 1996.)

Scientific associates. Further private service initiatives are accomplished by Merck's scientific associates. Merck does not field a traditional sales force in the IDEA region. Most of the salespeople hired by the company are physicians who are hired as scientific associates, not as direct sales representatives. In addition to gaining the commitment of practicing doctors to prescribe Merck's drugs, scientific associates spend a great deal of time face-to-face with either individual doctors or groups of doctors sharing the latest in medical information. In a recent questionnaire developed to understand perceptions and attitudes of employees in the region, there was nearly universal agreement with the statement "Merck should always invest heavily in providing educational support for physicians." Please understand that underlying this non-traditional approach to sales are some inherent costs. Scientific associates, unlike direct sales representatives, are somewhat uncomfortable driving hard to make a sale. Moreover, the time they spend educating practicing doctors significantly reduces the number of contacts they can make each day. Of course, one of the compensating features of Merck's nontraditional approach is each scientific associate's sense that he or she is providing a service to the local health-care community. Their motivation is increased because their activities are perceived as more significant than merely transacting a sale.

Now imagine for a moment that you are a Polish doctor or a Russian child living in St. Petersburg who has been directly affected by one of Merck's private service initiatives. What image would you have of American business? You would probably see the visible hand of capitalism providing a service to you and your country that would not otherwise be provided, and you would feel grateful. You would experience firsthand the blessings of private service.

What is interesting about these private service initiatives is that in the end they translate into good business results. Merck's reputation is enhanced across the IDEA region, strengthening its ability to influence health-care policy makers, hire the best people, and market and sell products. Private service, while an indirect approach, leads to positive, real, and direct business results.

As an aside, it is interesting to note that Merck's experience with expansion into new areas of the world is similar to that of the worldwide Church. Although the core mission of the Church as it spreads throughout the world is to bring all people to Christ through the threefold purpose of proclaiming the gospel, perfecting the Saints, and redeeming the dead, we have sometimes taken a more indirect approach to that ultimate end. For example, mission presidents have encouraged missionaries to become more involved in lending community service in areas in which the Church is still unestablished and struggling. The Church's manifold humanitarian service efforts also involve a more indirect approach. We seem to acknowledge through these activities that though the ultimate service we can provide is the knowledge of the true and restored Church, initially, at least, we need to establish the reputation of the Church and prepare people to receive the gospel. The Japanese have a word to describe this activity: *nemawashi*, which literally means "preparing the ground for planting." Both the Church and Merck are very sophisticated practitioners of *nemawashi*.

I would be guilty of oversimplification if I left anyone with the impression that the decision by any business, including Merck, to provide private service is without conflict. It is not always easy to resolve the goals of business and society. Although businesses can be charitable, they are not charities. Most businesses that even approach the size of Merck are publicly held, which means they are owned by

stockholders. Managers, while often major stockholders themselves, are agents of the owners of the company; therefore, they are expected to make decisions consistent with the long-term interests of stockholders. If stockholders do not receive expected returns on their investments, they are likely to withdraw their money and invest it elsewhere. This, of course, lowers the stock price and can seriously limit a company's access to capital. So the point is that no matter what a company does, it must keep its stockholders happy to ensure long-term viability.

The so-called pressures of Wall Street create some sizeable speed bumps for Merck on the road to providing private service. One of the major problems involves decisions about how to price Merck's drugs in the region. Although it might be easy to say that the only honorable thing that Merck can do is make its drugs affordable to people in the IDEA region, this issue is far from clear-cut. For example, if Merck sells its drugs for a significantly lower price in Latvia, it is likely that the lower-priced drugs will find their way into nearby Scandinavia. These problems with parallel trade argue compellingly for a globally consistent pricing strategy. Once we settle on the logic of a global pricing strategy, however, we are hit in the face by the hard reality that the cost of a monthly supply of a lifesaving drug like Tienam (a powerful antibiotic marketed as Primaxim in the U.S.) may cost three times the average monthly income of a patient who needs it in Kiev, Ukraine. Moreover, in the Ukraine there is no government reimbursement or private insurance system currently in place. So what is the moral and ethical thing to do? Fortunately, in the Ukraine, family and community values provide a social safety net. If a Ukrainian doctor prescribes Tienam for one of his or her patients and he or she cannot afford it, extended family members will typically step in and pay for the prescription. If the extended family does not have adequate

resources, then it is appropriate to appeal to friends and neighbors, who will lend money without terms, meaning they neither require interest be paid on the loan nor do they stipulate when the loan should be repaid.

Just because a company is motivated by economic goals does not exclude it from providing private service. When I participated on BYU's Service and Learning Committee, some members of the committee took the position that any activity for which a student was paid was not service. I defended a broader definition of service than is normally applied to so-called volunteer and community service. My point was that service can be provided in many ways. For individuals, groups, and organizations, the more important question is whether they possess an attitude of service—not the questions that foster precise and limiting definitions of what is and is not service.

Returning to Merck, a scientific associate is paid a salary to gain the commitment of physicians to prescribe Merck's drugs, but it is his or her attitude of service as well as encouragement and support from Merck's management that leads him or her to linger longer to educate a doctor about new advances in cardiovascular system treatments. Indeed, these extra-role behaviors are examples of private service because they are motivated by an attitude of service.

Although it might be easy for someone to feel content with the role he or she plays in private organizational service, none of us are excused from individual service. The logic of individual service is the same as the logic of private organizational service—we discover what someone needs, then respond to that need using the resources and talents we possess. We should avoid the trap of believing that because the service we provide as an individual is less grand than the service provided by large institutions, it is de facto less important. When Steve Jobs, the cofounder of Apple Computer, created his vision of the personal

computer, he imagined that one thousand people working on one thousand \$1,000 computers could accomplish more than a person on a single million-dollar computer. And so it is with service. If a lot of us do a little, even if we have limited time and resources, it adds up to a lot. The descriptions of what ordinary, everyday individuals do to serve others may sound quite ordinary and everyday until we start doing the addition and multiplication. John the Baptist's answer to the people who asked him "What shall we do then?" (Luke 3:10) was to do a little, but to definitely do something. A more specific answer would be to provide as much individual service as our individual resources and talents allow.

One of my most rewarding experiences in central and eastern Europe involved a Sunday I spent with the branch president of the Ljubljana Slovenia Branch of the Church. He was an inspired leader but also a young, mostly inexperienced leader in the Church. What he wanted most was better training about the priesthood and Church leadership, which I tried to provide. I mostly listened, of course, because I needed to understand the intricate and unique circumstances he faced to be helpful, to provide the needed service. He also pleaded for a radio-wave translation system for their branch building, something I worked to facilitate after I returned home.

One of my goals for the next year is to expand my individual service offerings. A need that has been expressed to me several times by people in central and eastern Europe is the need to receive better management education. In areas where I am not an expert, I am gathering basic books and textbooks to distribute in the region. I also intend to offer lectures at local universities about my two areas of specialty: business strategy and organizational behavior. It may appear on the surface that capital investment is the most glaring need of the countries of central and eastern Europe, but a need of equal and complementary importance

is the need for education. This is service I can provide, want to provide, and should provide.

On August 19, 1983, Dr. Hugh Nibley delivered a commencement address at BYU titled "Leaders and Managers," and believe me when I say it was a rather intense rebuke of business and management. In spite of the fact that Dr. Nibley called everyone associated with the School of Management to repentance, I probably agreed more than disagreed with most of what he said. However, I did disagree with one critical point of definition. I believe that Dr. Nibley was speaking more about the distinction between good and bad leadership than the distinction between leadership and management. Dr. Nibley spent a great deal of time recounting the classic struggle between Moroni and Amalickiah detailed in chapters 46 through 51 of Alma. If Professor John Kotter of the Harvard Business School is right when he defines management as dealing with complexity and leadership as dealing with change, then Moroni and Amalickiah were acting as leaders more than as managers (John P. Kotter, "What Leaders Really Do," *Harvard Business Review*, May/June 1990, p. 104). The undeniable commonality between Moroni and Amalickiah is they were both skilled agents of change. The major differences between these two very different men were their respective motives. From Alma 48, verses 12 and 13, we read that Moroni was

a man who did labor exceedingly for the welfare and safety of his people.

Yea, and he was a man who was firm in the faith of Christ, and he had sworn with an oath to defend his people, his rights, and his country, and his religion, even to the loss of his blood.

On the other hand, and in Dr. Nibley's own words, Amalickiah's only "object in life was to become king of both the Nephites and Lamanites, using the one to subdue the other" ("Leaders and Managers," *Brigham Young*

University 1982–83 Fireside and Devotional Speeches [Provo: BYU, 1983], p. 188; also *Classic Speeches*, vol. 1 [Provo: BYU, 1994], p. 191).

In other words, the changes promoted by Amalickiah were designed to increase his influence and power over as many people as possible, whereas the changes promoted by Moroni were designed to ensure the freedom and liberty of his people. The “bad” leader served only himself, but the “good” leader served both God and his people.

The topic of leadership is important to the practice of private service because effective leaders are the standard setters in their organizations. If their actions reflect an attitude of service, their subordinates are likely to follow suit. Their efforts to give individual service can be leveraged into a whole organization providing private service. These service multipliers are every bit as important as the economic multipliers of which macroeconomists speak and write. In the worldview promoted at this university, perhaps they are more important. As the leaders of the future, I hope all of you will set the standard; what is distinctive about you and what others will try to emulate will be your attitudes of service.

I began with the story of my experience at Yale University in the late 1970s and early 1980s and my observations about Dean Bill Donaldson’s sense of betrayal and failure

because he believed that work in the public sector was somehow more noble than work in the private sector. I believe his view was both inaccurate and incomplete. There are no boundaries marking where we can and cannot serve, because service is an attitude that we can take with us anywhere and everywhere we go. Just as there is public service, there is private service.

I know that through service we can expand our talents by using them. I also know that what James said is true: “Pure religion and undefiled before God and the Father is this, To visit the fatherless and widows in their affliction, and to keep himself unspotted from the world” (James 1:27). I know that central to the teachings of the gospel is the second great commandment: After we love our God with all our heart, soul, and mind, we should love our neighbor as ourself (see Matthew 22:37–39). I know that the Book of Mormon is true and that it teaches of Christ, our exemplar of a perfect servant leader. I know that Joseph Smith was a true prophet and that all the prophets of this dispensation, even our current prophet, President Gordon B. Hinckley, have emulated the Savior’s example of service. May we follow his and their examples of service so that we, too, may be counted as “good and faithful” servants (see Matthew 25:14–30) is my humble prayer, in the name of Jesus Christ. Amen.