

CHARLOTTE BUSINESS JOURNAL

New book finds lessons in managers who mine gold

Author Rob Slee shares ideas through stories, instructions and cartoons

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Rob Slee, an investment banker with Robertson & Foley, last wrote about the private-capital markets. In his new book, *Midas Managers*, he's telling the stories of business managers who consistently strike gold with their companies.

Through anecdotes, step-by-step instructions and amusing cartoons featuring "Investment Banker Man" (the name his twin daughters coined for their dad's professional alter-ego), Slee aims to share the lessons of real Midas Managers with business owners.



Slee

The *Charlotte Business Journal* recently caught up with Slee to talk about his new book. Below are edited excerpts from that conversation.

What is this book all about?

Globalization of the world's commerce has created an unintended consequence and all the rules of business have changed this decade. The new age we're in now, post 9-11, is called the conceptual age.

With the conceptual business model, you leverage your know-how, your intellectual capital. Your model is based on know-how, and you leverage it, as opposed to historically leveraging physical assets. It involves every field of study. We all have to create value in this conceptual age, or we don't get to play. This is a dramatic change.

It's not about what country you're from. It doesn't matter anymore if you're a family business or a multinational.

All that matters is: Have you figured out a way to deliver a positive value proposition to your supply chain? You

either have it or you don't.

What we find, and it's the shocking part of the book, is that 70% to 80% of mainstream businesses don't. They're still operating under the old rules. They're still leveraging bricks and mortar and tangible assets. And they haven't figured out how to be value-added to not only their customers, but also to their vendors, employees and stakeholders.

One of the managers you talk about in the book — and the only one that you have permission to name — is Nucor Corp.'s Ken Iverson. Why is he a Midas Manager?

He is identical to all Midas Managers. They're probably one in 10,000, but they all have the same traits. Ken is the most obvious Charlotte version of it, but he had all those traits in equal amounts. It figures that he would build a company like Nucor. It couldn't happen any other way.

What are those traits?

Contrarianism, exploitation of other's motives, reliance on strategy rather than tactics, the ability to see how the game ends before it begins — we call it "looking just over the horizon." And a devotion to wealth creation. I didn't say personal wealth creation.

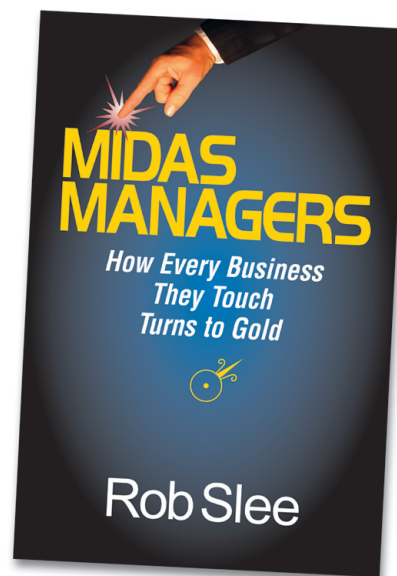
If you look at Nucor, what that was all about was how the stakeholders will benefit, and that's creating value for everyone. We might call that value creation as opposed to wealth creation.

It's not always in equal parts. Some of them are bigger contrarians than value creators. For the most part Ken Iverson was interesting to me because he seemed to have all of those in equal parts.

Can you teach someone how to be a Midas Manager?

There is the \$64 billion question. What I say in the book is that Midas Managers are made, not born. And that's the key thing — there's usually some cataclysmic event that happens early in their lives, usually before age 20.

Ken Iverson's was the classic. When



he was 16, he wrapped the day-old new family car into a tree. His dad said, "You fix the car." And so for the next year Ken spent every waking hour rebuilding the car. And what he said — and this is what all Midas Managers say after their cataclysm — is that he was never afraid of anything again in his life.

And so what happened is they went through life without fear, so they weren't afraid of failure and in fact they embraced it. If you read the early days of Nucor, he tried everything in the world. Some stuff stuck, some didn't. He just dispatched what didn't and built on what stuck.

All Midas Managers go through that same thing. They go through a fearless learning curve. What we show in the book is it takes a Midas Manager to create these highly value-added strategies. But you and I, and everybody else, can replicate them.

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