



To overthrow a tyrant, try the 3.5 Percent Solution

By Charles Euchner
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In the years after the fall of the Berlin Wall in 1989, Western democracies were giddy about the global victory of market-based liberal systems. Decades of the Cold War were over. The logic of markets, rights, contracts, and law prevailed. It was, Francis Fukuyama famously declared, "the end of history."

But in the last decade, authoritarianism has staged a comeback. Putin and Xi have consolidated power in Russia and China. Eastern bloc nations have revived ugly forms of nationalism. The U.S. and Britain have disavowed their durable alliances and free trade. Hungary, Turkey, the Philippines have cracked down on the opposition, as have Brazil, Venezuela, Guatemala, and Nicaragua. When the U.S. deposed Saddam Hussein, Iraqis did not greet Americans as liberators.

Stunned, small-d democrats now understand the leveling, destructive power of globalism. If Twitter can be used to rally pro-democracy activists in Tahrir Square, it can also be used to spread hateful lies and revive old prejudices. Angry mobs, living in online echo chambers, can be riled into dangerous wars against democratic norms and institutions.

Can anything be done to confront the rising tide of authoritarianism? Research suggests a simple answer: *Put millions of bodies in the streets to demonstrate, peacefully, for democratic values.*

No democracy movement has ever failed when it was able to mobilize at least 3.5 percent of the population to protest over a sustained period, according to a study by Erica Chenoweth of Harvard University's John F. Kennedy School of Government and Maria Stephan of the U.S. Institute of Peace.

In their book, "Why Civil Resistance Works: The Strategic Logic of Nonviolent Conflict", Chenoweth and Stephan analyzed 323 political and social movements that challenged repressive re-

gimes from 1900 to 2006. Such mass demonstrations are so visible, they found, that no one can ignore them. Their diversity and networks—with connections to schools, unions, churches, media, sports teams, fraternities, and even the military—gives them a superhuman voice and spirit. At that scale, most soldiers have no desire to suppress the protesters. Why? Because the crowd includes their family members, friends, coworkers, and neighbors.

Call it the 3.5 Percent Solution.

What is the 3.5 Percent Solution?

Let's suppose that Americans wanted to stand up against government repression. How could everyday Americans not just speak out, but also force elites to radically change direction?

With a population of 327 million, the U.S. would need to mobilize about 11.5 million people to assert popular, democratic power on the government. Could that happen? Maybe. More than 2.6 million people took part in the Women's March, in cities all over the country (and world), on the day after Inauguration Day 2017. The U.S. would have to mobilize four times that many to push the reluctant Washington leaders.

That would take a lot of work, but it's possible.

The logic of mass mobilization was first explained by a labor leader named A. Philip Randolph, who organized the black Pullman car porters in the 1920s and 1930s. In 1941, Randolph organized masses of black men to march in the streets of Washington to protest discrimination in the war industries. President Franklin Roosevelt called him to the White House, made some vague promises, and asked him to call off the march. Randolph said no, not until he got a signed executive order. Eleanor Roosevelt and Fiorello LaGuardia pleaded with Randolph to step aside. FDR dreaded the prospect of long columns of black men—maybe 100,000 of them—marching down Pennsylvania chanting about discrimination.

When Randolph stood firm, Roosevelt relented. He signed Executive Order 8802 and Randolph called off the march.

Randolph understood that reform requires activists to put their bodies on the line—peacefully. Without a willingness to be visible and accept consequences, like getting beaten or thrown into jail, the people in power do not take the opposition seriously.

As Gene Sharp points out in his three-volume masterpiece, *The Politics of Nonviolent Action*, regimes gain power when ordinary citizens consent to their rule. Usually, that consent is tacit, when people pay taxes, accept government regulations, and follow basic practices like sending kids to school; sometimes, it's explicit, like adhering to court decisions and voting in elections.

Nonviolent demonstrations, in effect, withdraw that consent. And no regime can survive when too many people refuse to obey the regime's orders.

The most important demonstration of our time, the 1963 March on Washington, attracted from 250,000 to 400,000, according to crowd experts. Randolph called that march too and hired Bayard Rustin to organize it. The star power of Martin Luther King and other headliners like Mahalia Jackson, Marian Anderson, Harry Belafonte, Bob Dylan, and Joan Baez made it historic.

The Roger Bannister Effect

That's a far cry from the 11.5 million people needed for a 3.5 percent march. That's where the Roger Bannister Effect comes in. Before Bannister broke the four-minute mile in 1954, many believed the feat impossible. Within a year, four others beat the mark. In the last 50-plus years more than 1,000 people beat it. Once people achieve a breakthrough, others duplicate it. The mind shapes what's possible.

Such is the case with protests. Demonstrations have become as much a part of the system as elections and lobbying. In recent years, countless protests have surpassed one million. Worldwide, five million joined the women's marches in 2017.

So think of the 3.5 percent goal, or 11.5 million people, as the political equivalent of the four-minute mile. It might seem impossible, but it's actually quite possible.

In Hong Kong, hundreds of thousands have taken to the streets to protest China's effort to extradite criminal suspects from Hong Kong to China, where party-controlled courts mean rigged trials. On one day, crowds were estimated to reach more than one million in a nation-state of 7.4 million residents. That's about 13.5 percent. More typically, the marches numbered in the hundreds of thousands, hovering around the magic 3.5 percent mark. The trick is to sustain the effort. The movement has to be ready to mobilize on short notice. Succeed once and it's easier to succeed again—not automatic, but easier.

How to protest – and succeed

Protest movements attract the greatest, most diverse crowds when they focus on the consensus goals of fairness and democracy—against brutality and corruption—and keep their protests nonviolent.

If Americans ever wanted to stage a 3.5 percent March for Freedom, then, they must embrace a message that is both specific and mainstream. In 1963, the civil rights movement made a

bold call for basic human rights, against the centuries of violence and indifference to the plight of blacks. Americans today would have to adopt the same kind of simple and clear message.

What universal values might such a march champion? Start with fair elections (against foreign influence, gerrymandering, disenfranchisement, and big money). Broaden that appeal to include civil liberties, not just for Americans but for the "wretched refuse" seeking asylum and protection from civil war and life-threatening violence in other lands.

Foreign policy might offer another set of universal values to rally protesters. Most Americans support the idea of opposing brutal dictatorships and embracing democratic allies. With its vast consensus, global warming might make another focal point for rallying the masses. It depends how well the organizers frame the issue.

Specific ideas also need expression in universal outrages. In their marches for democratic revival in the U.S., protesters could cry out against specific grievances, like Russia's cyberwar against the U.S., abuses at the U.S.-Mexico border, voter suppression, and Saudi Arabia's murder of Jamal Khashoggi.

But getting *too* specific carries risks. On issues lacking a broad and deep consensus, the protesters risk alienating potential allies. So should protesters rally for Obamacare and the \$15 minimum wage? Maybe, maybe not. If these issues cannot rally the masses—for the long haul—maybe they should be left off the agenda.

The key is to make it easy for people to rally. Organize everywhere. Any place where people gather for parades and rallies—streets, parks, public squares, campuses, stadiums, auditoriums, churches, schools—get the necessary permits. It won't be any trouble in places with strong traditions of activism; but it will take work in less energized places.

The marches should also avoid the degrading rhetoric that certain destructive forces use to attack their enemies. In 1963, organizers approved most signs people carried at the March on Washington. That's going too far, but today's activists should focus on a strong assertion of values, not *ad hominem* attacks. Protesters should avoid also the bitterness and personal attacks common in social media. It might sound old-fashioned, but keep it clean. Don't try to "win" arguments with vitriol. Avoid tit for tat. Repeat, relentlessly, what matters: *Stop the violence. Stop the lawlessness. Stop the assault on democracy.*

Organizers should train marshals to keep things peaceful and nonviolent. Nonviolent movements have twice the success rate of movements that involve even occasional use of violence. But

nonviolence doesn't just happen. It's a skill—a hard skill. But anyone who wants can learn it and will have the support of countless friends and neighbors once the big day comes.

The protests should always appeal to the better angels of our natures. Like Alexandria Ocasio-Cortez, we have to condemn racism but appeal to the better natures of people caught in its thrall. "Here's what we have to say to all of America's men and women falling in the grips of hatred and white supremacy: Come back," AOC said. "It's not too late. You have neighbors and loved ones waiting, holding space for you. And we will love you back."

A protest demonstration is really a physical challenge to the regime: We're here and you can't push us around. We will assert ourselves. We will prevail.

No great movement can win without putting bodies on the line. "Power wants your body softening in your chair and your emotions dissipating on the screen," Timothy Snyder writes in his manifesto *On Tyranny*. "Get outside. Put your body in unfamiliar places with unfamiliar people. Make new friends and march with them."

Ultimately, the greatest impact of 3.5 percent protests could be at the ballot box. Democracy, by its very definition, thrives only when lots of people go to the polls. People need a reason to vote. If a positive force does not surge through the country, people will get stuck in the better-of-two-evils mindset. That's enervating; it's exactly what the enemies of democracy want. The 3.5 percent demonstration is the best way possible to arouse Americans who fear for our democracy.

Civil rights activists have always known, in their heart, the truth of Chenoweth and Stephan's argument. America's greatest lesson in the power of protest came in the civil rights era. "It's just like geometry," James Bevel, one of Martin Luther King's acolytes, said. "You add this, you add this, you add this, and you're going to get *this*. It's like a law. You can't miss with this.

"If you maintain your integrity in your heart and honestly do your work, and your motive and intention is right, and you go and seek what's just, there is no way for you not to achieve your objective."

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Missed lessons

The pandemic created an opening for a long overdue rethinking of K-12 education. We squandered it.



By Charles Euchner

On Friday the 13th of March, at the order of Gov. Charlie Baker, schools shut down across Massachusetts. No one knew for how long or how schools would respond. Within days, teachers adapted their classes to online platforms like Zoom. Some held classes live, every day. Other teachers uploaded videos and assignments but otherwise had little contact with students.

After the lost spring, educators and parents lost the summer too. State and local officials, teacher unions, and parents debated the logistics of making a return to school safe. How many students could fit in a classroom? How could teachers enforce mask-wearing and social distancing? Could classes be ventilated to avoid stagnant—and potentially virus-laden—air? Where would students eat lunch? How would they get to school?

All were, of course, important questions. But the spring and summer of disruption also offered a once-in-a-generation chance for a deeper, statewide conversation about education. No one, however—not the governor, the teachers unions, or other professional or civic organizations—pushed the kind of wholesale reform that we urgently need for the post-COVID era.

“Necessity is the mother of invention,” said Ronald Heifetz, a globally recognized authority on leadership at Harvard’s Kennedy School of Government. “But if people don’t realize there is a necessity, they’re not going to be inventive.”

The failure began with a refusal to face up to the persistence of the virus. “We knew in March [that] the virus isn’t going away,” said Heifetz, who is also trained as a physician. “It’s a highly efficient spreading agent.” Despite the dangers of the virus, officials focused on how to return to “normal” as soon as possible.

“We can’t define success as returning to the status quo ante,” said Paul Reville, Gov. Deval Patrick’s education secretary, about schooling after COVID. “That was deficient in a variety of ways.”

Neema Avashia, an activist and an eighth-grade civics teacher at John W. McCormack Middle School in Dorchester, agrees. “We should be blowing up the way we think about school and learning,” Avashia said. “Let’s not replicate the way we do traditional courses.”

Businesses across the state already have begun to reinvent the way they operate. Almost half of the companies surveyed by the Massachusetts Competitive Partnership said they would continue to work remotely, at least part of the time, after the COVID crisis. Could schools do the same? Should they? If so, how?

For years, reformers have called for project-based learning, greater student collaboration, and smarter uses of technology. But classes are still dominated by teachers talking, pushing to “cover the material” rather than engage students deeply in learning. New approaches in recent years—from computers to charter schools to high-stakes testing—have simply been grafted onto the existing system.

The greatest lesson from the COVID spring, educators and reformers say, is the need to abandon the top-down model of schooling. “Learning only happens in relationships,” Avashia said. “This is

potentially a moment for creativity. But we’re not going to get it right if we try to do the same things over the Internet.”

With the old routines blown away by COVID, the best teachers discovered powerful lessons about teaching and learning. The question is whether Massachusetts has the will to use these lessons to launch a once-in-a-lifetime revolution. So far, the answer has been no. But the lessons are still there, waiting to be picked up and used.

Lesson 1: Connect with the community

When Suzie McGlone heard about the shutdown, she moved quickly to connect with her students’ families.

McGlone, who teaches civics at Orchard Gardens K-8 School in Roxbury, made business cards with her personal cell number and posters telling her students where they can get free meals. She connected with activists, doctors, and community leaders.

Then she got online and started teaching. She invited 10 guest speakers who could inspire her Cape Verdean students. The speakers included the son of the island nation’s president, authors on civil rights, a doctor and qigong master, and members of the Boston City Council. Her reasoning was simple: Only when students feel connected—to their history, to their community, to each other and their teacher—can they learn.

To combat absenteeism, McGlone texted students an hour before their online classes. She also held evening sessions. She got parents to serve as Spanish and Creole translators. Every Wednesday, she checked in with all her students’ families. She also started an evening book club for parents.

Reville, now a professor at Harvard’s Graduate School of Education, agrees that reform requires total community engagement.

“We need to emphasize relationships as we have never done before,” he said. “In high school, teachers typically see 150 kids a day. Guidance counselors see 400. One of the biggest crises of this pandemic are peer-to-peer and student-to-faculty relationships. With so much going online, we’re going to have to bend over backwards to build relationships.”

To make that happen, schools must work constantly to connect with families—with advisories,

home visits, regular check-ins, and after-hours consultations. Knowing students' families is often more important than devising a great class project or a zippy Zoom lecture.

"For years we have given lip service" to engaging families, Reville said. "Most schools have treated this as an afterthought if not a nuisance. Now, suddenly, the rhetoric has to become the reality. If parents are going to support their learners, they need help."

Here's one way. In the early days of the shutdown, community organizations in East Boston—schools, faith institutions, libraries, government agencies, barbers and beauticians, health centers, child-care providers, housing developments, homeless shelters, and employers—launched a program called The Basics to give pre-K kids these experiences.

Under the program, devised by Harvard Kennedy School researcher Ronald Ferguson, community partners agree to connect with pre-school kids in five specific ways: providing love and managing stress; talking, singing, and pointing; counting, grouping, and comparing objects; movement and play; and reading and discussing stories.



Harvard Kennedy School professor Ronald Ferguson. (Photo courtesy of Ronald Ferguson by Kris Snibbe/Harvard University Staff Photographer)

Without such community "saturation," kids from low socioeconomic backgrounds fall behind more affluent children at exponential rates. In a lockdown, even better-off students fall behind and

struggle to catch up. "If parents can't play their roles, someone else must," Ferguson said. "We need a collective movement to give these children what they need to learn."

The need for community saturation goes beyond toddlers. Advocates of critical thinking and creativity have long argued against the passive old model of learning: lecturing, note-taking, cramming, and regurgitating. To really learn, students need to be engaged, not just with teachers and classmates but people all over the community.

Lesson 2: Keep it simple

Soon after classes moved online, the routines of eight-period days, with students quickly shifting their attention to new subjects, melted away.

In a time of chaos—in an age when schools wrestle with virtually every social problem, from homelessness and family breakdown to mental illness and abuse—teachers need to give their students focus. Maybe teaching 150 students, whose attention constantly shifts over the school day, is not the best model for deep learning.

To keep students engaged, schools need to embrace a number of practices. To start, teachers need to greet their students as they arrive for the day's activities. Schools need uniform, accessible learning platforms. In Springfield, parents complained that they had to master seven different learning management systems to help their children. "That was well-intentioned," said Paul Foster, the system's chief information officer. "We wanted to give teachers control. But we need everyone on the same platform."

Teachers also need new curricular tools and coaching to meet their new challenges. "Let's make sure, with partnerships and online tools, to create online curricular materials," said Justin Reich, director of the Teaching Systems Lab at MIT. "So when we flip to go online with a surge of COVID or just the flu, instead of every teacher scrambling, there are some curricular materials available. Either way, teachers need a ton of resources."

Schools also need to break free of the tyranny of the eight-period school day and its assumptions about curriculum. "Let's do a few things really well," Reich said. "Let's create smaller communities—almost like a one-room schoolhouse."

"Schools have to decide which [curricular] areas they're really going to take seriously," said

Ferguson. “That’s the anchor. Everything else is related to that.”

Even in the best of times, asking teachers to track 100 or more students doesn’t make a lot of sense. But in a time of uncertainty, teachers need to know their students.

A number of Massachusetts schools adopted, at least temporarily, the use of advisories. Advisories are homerooms on steroids. They bring together a small group of students with a teacher, who gets to know them and guides their development throughout the high school years. Too often, struggling students now get lost in the crowd, grow alienated and frustrated, and see their failures cascade.

When students are part of cohesive “tribes”—with students not just passively learning but also contributing to the group—they thrive. They not only develop social ties but also help each other on academic work. For decades, research has found peer-to-peer tutoring to be one of the best approaches to learning. Students could work together on common projects, from drama videos to programming marathons to mock trials.

Schools also might consider adopting some version of the “block system” of Colorado College, which gives students intensive courses for a month at a time. Under this approach, teachers get to know their students and engage them more personally.

With bigger blocks of time for learning, classes could focus on what matters. Rather than following a traditional lecture-and-discussion model of classroom learning—the “sage on a stage”—teachers could embrace more effective learning activities. They would know their students better and serve as advisors and guides.

Schools might start by experimenting with mini-blocks. Classes in the humanities and social sciences could come together for half the day, for example, while classes in math and science could come together for the other half.

The block approach could make it easier for schools to address the problems of inequality. Schools need to focus on students who struggle because of their low socioeconomic status or learning problems. Otherwise, they could be lost forever. “If we’re in a hybrid situation, they should ask: Who needs to be in the buildings the most?” Reich said. “Then make sure they get it.”

Such a scenario raises alarms about institutionalizing a two-tiered system. A better solution would be to embrace choice for learning models. Some students—not just those needing more help, but also those who thrive in buzzing social settings—might embrace a complete in-school model. Others might choose a hybrid model, with a mix of work in and out of the school building.

Lesson 3: Focus on a common learning challenge

The day the pandemic shut down Massachusetts, Sue Szachowicz was in Dartmouth to meet with school officials. Her goal was to bring to the town nestled along Buzzards Bay an innovative writing program that she helped to pioneer in Brockton.

Szachowicz was the principal at Brockton High School when the school transformed itself from one of the worst to one of the best-improved schools for MCAS in the state. With an 83 percent poverty rate and diverse population (students spoke 49 languages at home), Brockton had languished at the bottom of statewide rankings for years. Only 22 percent of Brockton High students passed the English and 7 percent passed the math MCAS in 1998.

Ideally, Szachowicz says, a school is a learning community where everyone supports everyone. People talk regularly about their common concerns and strategies to connect with students. The need for a singular focus is especially important in chaotic times.

To confront its achievement crisis, Brockton High School embraced writing across the entire curriculum. All classes—from history to science to math—taught writing, reading, speaking, and reasoning. Some teachers grumbled, but they went along. MCAS failure rates plummeted from 1998 to 2017, from 44 percent to 1 in English and from 75 to 9 in math.

The emphasis on writing gave students skills that they could use their whole lives. “Writing is thinking,” Szachowicz said. “If you can explain something, you understand it.”

Writing across the curriculum also gave students an outlet for expressing themselves and connecting with others. Szachowicz remembers spying on Vincent Macrina’s band class. Before a Veterans Day concert, Macrina passed out copies of John McCrae’s “In Flanders Fields,” a poem about the

fallen of World War I. Write down “every emotion you feel when you read it,” he said. Ten minutes later, students discussed those emotions.

“Now, pick up your instruments,” Macrina said. “I better feel every emotion when you play.”



Sue Szachowicz in the hallway at Brockton High School during her time as principal. (Photo by Frank Curran)

Especially in a time of crisis, everyone’s minds get scattered. Teachers can’t connect with students online if they bombard them with facts and equations. Instead, they need to create a common challenge. Then teachers need to reinforce that challenge.

Schoolwide focus doesn’t necessarily have to come from writing. Schools could focus on other topics or skills. The ideals of service or justice could be adapted to most subjects. So could history, languages, the environment—or even, *a propos* of COVID, living in a time of global crisis. What matters, says MIT’s Reich, is adopting a focus “big or capacious enough so people in different [subjects] can connect with their own approaches and values.”

Tom Eastabrook, a trainer for workplace safety at the University of Massachusetts Lowell, has a timely idea for focusing teachers and students in all subjects: studying place. “We’ve had to navigate through space, in order to stay safe, in a very conscious way,” he says of the pandemic. “This is

what students are living. They could use it to learn too.” Place could help to frame a variety of school subjects—physics, history, economics, mathematics, health, even the arts and music.

Lesson 4: Embrace new teaching methods

During the spring lockdown, schools got a simple directive from state education officials: Don’t worry about attendance, tests, or grades. Just survive till the end of the year.

Using Zoom and other online tools, many schools managed to engage most of their students. Many students got bored with still presentations and drifted away. Others thrived. But few teachers had experience teaching online and it showed.

The summer presented an opportunity for districts to hit the reset button. Some districts used professional development money to get teachers to cut videos for class use or to revise their teaching plans. But most districts focused on health and safety issues until August.

The Milford schools hired the Cambridge-based company Better Lesson to help teachers get ready for 2020-21. The company provides resources, workshops, and one-on-one coaching. Its website offers hundreds of video lessons and teaching strategies, which teachers can fit into their learning “ecosystem.” These lessons guide teachers and students through a three-step learning process: define (problems, concepts, and goals), explore (specific strategies that address the problem), and build (summarize, make connections, and look ahead to new learning).

In the rush to return to normal, educators often embrace a false dichotomy between traditional schooling and everything else. The refrain that “nothing can replace classroom learning” is false for two reasons. First, traditional classroom routines—teacher-driven lectures and discussions, test-driven activities, pushing to “cover” material without deep understanding—are often wanting. Second, while classroom work is vital in creating relationships and engaging learners in discovery with each other, other activities often work better.

To rebuild education, after the pandemic, educators should explore what activities work best in person and online, in real time and asynchronously.

The key is to identify what lessons might be improved with video lessons and exercises and which

ones benefit from live meetings. A video might offer a better how-to statistics lesson on using Excel spreadsheets than a classroom lesson. Students can take their time, view the video over and over, and follow the steps until they get it right.

Across the country, schools report the most success with online collaboration. In Zoom meetings, classes thrive when broken into small groups to work on mini-assignments. As students work on problems in small groups, the teacher can check their progress and nudge them in the right direction. An even more powerful tool is Google Docs. Students can contribute to class projects—data from field studies, feedback from readings, questions from class—around the clock. Students who are normally mum in class and limited in assignments, teachers say, often come alive in their contributions to group documents.

With the right coaching, teachers can create “synergy” with students, said Laura Boothroyd, the director of partnerships and strategy for Better Lesson. Students and teachers can work as teams even when separated. The biggest problem with distance learning, she said, is the feeling of “second-class citizenship” online. “It’s a false dichotomy to separate them,” she said. “We have to pay close attention to both.”

Teaching online need not be bad, says Sarah Marie Jette, a fourth-grade teacher at Thompson Elementary School in Arlington. “The classroom is my happy place,” she said. But after teaching online, she realized she could also connect with students at a distance. “People form relationships online all the time,” she said. “They even find love online. We can do it.”

To master the dozens of online and in-person tools and strategies, the teaching profession needs to overhaul training and career development. Rather than going to conferences or earning degrees or credits, teachers need to be engaged in an ongoing process of improvement—preferably with peers and coaches. David Rosenberg, a partner at Watertown-based Education Resource Strategies, calls for “connected professional learning.”

ERS organizes 90-minute sessions that allow teachers to share experiences and strategies. Teachers collaborate with subject-matter peers across the country, sharing techniques and feedback. Rather than asking teachers to run their classes on their own, the ERS model encourages teachers to get

together and decide on a division of labor. “In middle and upper grades, I can get the best teacher to do the lecture and three other teachers to work in small groups,” Rosenberg said.

But these efforts are scattered and uncoordinated.

Modern learning, says Reville, the former state education secretary, will be built around modular programs—both inside outside school, online and in the community, in real-time and asynchronously. He cites the rise of “coronavirus pods,” which generally have involved more affluent families pooling their resources to hire teachers for small groups of their kids.

Such an approach raises equity issues. Just as SAT tutoring tilts the game in favor of affluent families, so might these pods. But rather than resisting pods as elitist, school systems might consider ways to support pods for all. Why not make these and other enhancements available to all, Reville asks, by creating educational savings accounts?



A young girl on playground at the Mather Elementary School in Dorchester on October 1, the first day some students returned to in-person classes. (Photo by Michael Jonas)

A ‘Sputnik moment’?

When the Soviet Union launched the Sputnik satellite in 1957, Cold War America went into a panic and boosted spending on math, science, and language programs to fight back. Paul Reville wants to use the pandemic to create a “Sputnik moment” for schooling.

In the original Sputnik moment, the federal government boosted funding for math, science, and foreign language programs but did not challenge the

basic model of public education. The answer then was more of the same. But the current crisis calls for fundamental change.

The late Clayton Christensen, the longtime Harvard Business School professor and father of “disruption” theory, argued for a complete rethinking of education. Rather than trying to do a better job with old approaches, Christensen called for using technology to redesign schooling from top to bottom—just as Apple disrupted the phone industry, Uber the taxi industry, and Airbnb the hospitality business.

Out of the ruins of the COVID spring, Massachusetts and other states had a historic opportunity to turn the Lost Spring into the Great Pivot. “The summer should have been used to train teachers how to teach online, to figure out the support systems for parents,” said Heifetz, the Harvard leadership expert. “What are the additional support systems [needed] to sustain families and children for the next 12 months?”

Heifetz, who has worked with state education commissioners across the country, quickly ticked off a list of lost opportunities for Massachusetts.

What if, he asks, Gov. Baker had created a statewide commission to rethink education during *and after* the pandemic, with big financial incentives to experiment with different hybrid models? What if Baker had jawboned corporations into providing free WiFi and computers? What if he

offered grants to educators who worked together—across districts—to devise teaching tools for the new reality? What if the governor had worked with unions to devise a new deal for teaching under the pandemic and beyond? What if he had worked with Beacon Hill to pump millions into training, curriculum development, and support services for vulnerable families?

Instead, the state directed districts to come up with plans to teach in the classroom, online, or with a mix of approaches. Week after week, districts debated the health risks of returning to their buildings. They managed pressures from parents as well as possible, without much guidance from the state. They got even less help taking on the ultimate challenge: devising creative and effective plans for teaching and learning.

The assumption was that schooling, for the second phase of COVID and afterward, would look a lot like education before COVID. The pandemic opened a door for sorely needed reform, but no one walked through it.

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WAR WITHOUT VICTORY

He Envisioned the World That Trump Is Demolishing

A fragile president driven by a fear of failure and humiliation tried to convince America, one rally at a time, to change the world. He barely survived the attempt.

BY CHARLES EUCHNER • SEPTEMBER 21, 2019

A century apart, two American presidents faced a world spinning out of control. One was a builder and the other a disrupter. But they have more in common than might be expected.

In most ways, Woodrow Wilson and Donald Trump could not be more different. Wilson was a man of faith, a Ph.D. who wrote books and lectured widely; as president, he

oversaw the greatest progressive reform in history. Trump is a hedonist and subliterate boor who seeks to strip away any program that serves people in need or common concerns like the environment or global warming.

But the parallels are striking too. Both experienced periods of physical and mental instability that made close observers wonder whether they should stay in office. Both were prone to fits of temper and conspiracy theories. Both demanded absolute loyalty—and exiled those who spoke their minds. Both complained about entrenched elites conspiring to sabotage their world-changing agendas. Frustrated with the tedious bargaining in Congress, both took refuge in the roar of the crowds at rallies and parades.

One quality above all else—psychological fragility, and an all-encompassing fear of failure and humiliation—defined both presidents’ lives and their approaches to power. Their brittle but defiant egos made them unwilling to work with others. That offers sobering lessons for our time.



Two hundred years ago, when Woodrow Wilson returned from the Paris peace conference, he experienced an unusual case of writer’s block—an unusual malady for the most voluble president in history. The problem, he said, was that he had “very little respect for the audience,” the Republicans who took control of the Senate in the 1918 midterm elections.

For his whole career—as a professor, university president, governor, and U.S. president—Wilson used words to overcome his painful shyness and promote his causes. When he got stuck, he withdrew from Washington and took to the road.

Historians have long debated Wilson’s psychology. Both parents were demonstrative but also demanding. Like Trump’s father Fred, Wilson’s father Joseph guided him but also mocked him when he failed. His mother Jessie was a relentless hypochondriac who, passively aggressively, demanded her son’s attention. Late in learning to read, Wilson turned inward to a fantasy life. He learned how to fit in by standing out, always aloof. Speechmaking was his path to power.

In his first term, Wilson was a model president. After laying out a reform agenda, he allowed Congress to do its work. At appropriate times, he bargained and compromised on the Federal Reserve Act, the Underwood Tariff Act, Clayton Anti-Trust Act, the creation of the income tax, and labor reform. When the European war broke out in 1914, Wilson argued successfully for neutrality, then for preparedness. After winning reelection in 1916, Wilson quickly changed and went all-out for war.

Emotionally, he shut down when he faced opposition. When he called for “war without victory,” Republicans like former President Theodore Roosevelt and Senate Majority Leader Henry Cabot Lodge hissed. But he would not engage them. When he went to Paris to push for the League of Nations, the English and French agreed in exchange for carving up the territory of the defeated Central Powers and exacting punishing reparations against Germany.

To Wilson, the League was the prize. This entity—less than a world government but more than a treaty—would, he said, prevent 98 percent of future wars. It would also provide the authority needed to solve other problems, like labor relations, trade, freedom of the seas, arms control, colonialism, and human rights.

Republicans (and some Democrats) feared the League would cede American sovereignty to European powers and, soon, to “colored” nations. Senator James Reed of Missouri, a Democrat, complained: “Think of submitting questions involving the very life of the United States to a tribunal on which a nigger from Liberia, a nigger from Honduras, a nigger from India ... each have votes equal to that of the great United States.”

Even before Wilson went to Paris, Lodge assembled an opposition coalition: isolationists (like Hiram Johnson), realpolitik balance-of-power advocates (like T.R.), and middle-of-the-roaders (like Porter McCumber). Wilson tried, gamely, to persuade them. He met reluctant senators for one-on-one talks but converted no one. He hosted the Foreign Relations Committee but converted no one.

The more Wilson spoke, in fact, the more he alienated one faction or another.

But Wilson was, above all, a talker. And so, 100 years ago this month, he embarked on the most ambitious speaking tour in presidential history: 10,000 miles, 20 states, 27 cities, all on a hot steel train, swaying up and down mountains and through forest fires—hell on the fragile man’s constitution. He spoke mostly in places where he would not be able to persuade reluctant senators to change their minds. Back in Washington, Lodge and the Republicans tended to their swelling anti-treaty coalition.

Most Americans favored the treaty, but with little fervor. Most supporters agreed that “reservations” were needed to protect American control over war-making powers, maintain the sanctity of the Monroe Doctrine, and enable the U.S. to quit the league if it worked against American interests. Mostly, though, people wanted to get on with their lives after years of war.

American life in 1919 was in state of crisis, with unprecedented labor strikes, race riots, growing inequality, depressed wages and spiraling prices, a rough transition from a wartime economy, sweeping attacks on immigrants, systematic attacks on civil liberties, and the first Red Scare (even as thousands of Americans were stuck in Russia fighting an undeclared war).

The ugliest problem was, as always, race. Many blacks thought they finally earned respect when they volunteered for the war and manned factories and railroads at home. Whites resented their claim to the American Dream. Riots broke out in Chicago, Washington, Omaha, and Elaine, Arkansas, among other cities, claiming at least 153 lives. Lynchings claimed 83 lives. In Omaha, white mobs set fire to a jailhouse, seized a black man suspected of rape, shot him up until his entrails spilled out of his chest, then burnt his body in a bonfire. Smiling photos by the burnt remains were sold as postcards.

(Wilson had no inclination to confront the race issue. A child of the South, he restored segregation to the federal bureaucracy. He screened the racist film “Birth of a Nation” at the White House—though his famous praise for it, “like writing history with lightning,” might have been apocryphal. The movie was based on a novel by a friend from Johns Hopkins University, who peppered him with ideas for tightening race laws to make the Democrats the majority party.)

Workers staged more than 2,000 strikes. Many turned violent when management, Pinkertons, and state and local cops attacked them. When Boston police struck in September, the taciturn governor Calvin Coolidge sat silent while Bostonians rioted; then, when the police gave in, he had the cops fired and replaced.

Attacks on civil liberties—which began with the Espionage Act of 1917, the Sedition Act of 1918, and the Alien Act of 1918—ramped up with the strikes and terrorist attacks. The

postmaster general wouldn't deliver hundreds of publications deemed insufficiently pro-American. A young bureaucrat named J. Edgar Hoover began to collect a database of names he considered subversives for the Bureau of Investigation. During the war, the feds tapped a nationwide network of citizen spies who ratted on German-Americans and other "hyphenated" Americans—an impressive resource for continued repression. The American Protective League alone had 200,000 citizen-spies, who infiltrated virtually every major institution, including the NAACP.

Labor leaders and socialists who spoke out against the war, including four-time Socialist presidential candidate Eugene Debs, languished in jail. (Debs would run for president again in 1920, while in jail.) Privately, Wilson acknowledged at least some of the dissidents should be freed but his bitterness stayed his hand. The next president, Warren Harding, would ultimately make some healing gestures.

On his Western tour, Wilson struggled to get to know his country again. He alternated between high-minded appeal, and low-down ones. Rather than acknowledging honest concerns, he repeated that the League of Nations would prevent "98 percent" of future wars. He offered detailed explanations of complex issues like Article X (the cooling-off provision, which mandated arbitration and boycotts before war) and Article XI (the busybody provision, which required member nations to raise complaints when they saw misbehavior by other nations). But he could not resist demagogic appeals against Germans, Russians, Republicans, laborers, and others.

Wilson's tour revealed some of the nation's fault lines. In Columbus, Republicans worked behind the scenes to dampen turnout for the parade—then went all out to create a rousing welcome for a gathering of Civil War veterans. In North Dakota, where the socialist Nonpartisan League governed, he faced leftist skeptics about his policies on war, labor, and civil liberties. In California, Chinese critics panned the treaty for giving Shandong to Japan. Wherever he went, Irish critics attacked his subservience to Britain—especially the provision that allocated six votes to England and other members of the British empire.

In Seattle, where the radical syndicalist Wobblies had organized a general strike in January, protesters rebuked him by standing silent for six blocks of an otherwise joyous parade. The silent attack humiliated the president; one moment he was happily waving a top hat, the next he was crumpled and gray in his seat. Jack Kipps, the man who organized that silent protest, instantly regretted it. "I felt like two cents for pulling that demonstration," he said. Mournfully, he called himself Wilson's assassin.

For most of the trip, Wilson aroused excitement. Few people then ever saw or heard a president. A president's presence alone was a cause for patriotic celebration. But after Wilson left town, a Republican "truth squad" often took his place in the city auditorium and fired up the crowds against Wilson. Many of the opposition's crowds were bigger; most were more raucous. "Impeach him!" the crowd at a Chicago rally called out.

But Wilson scored some victories. In California, the home of a leading opponent, Senator Hiram Johnson, the president's speeches rallied more than 100,000. The editor of the Republican Los Angeles Times declared Wilson and his cause triumphant. Even though no senators flipped to the pro-treaty side and at least a handful moved toward the anti-treaty side, the size and enthusiasm of the crowds indicated a nationwide shift.

At least that's what the Wilson party thought leaving southern California for Nevada, Utah, Wyoming, and Colorado.

Wilson had suffered serious ailments—gastrointestinal problems, splitting headaches, and (according to later medical historians) a series of strokes—all his life. At the Paris Peace Conference he spent a week in bed with a mysterious ailment, probably the Spanish Flu (which originated at an American army base). In Paris, he appeared to lose his mental stability; he accused servants of spying and stealing furniture. Aides whispered about his mental health.

On the Western tour, Wilson rarely got a good night's sleep. He struggled to eat—sometimes he could only drink black coffee—and had to be propped up by a window so he could breathe and get some rest. Alas, his doctor was not much of a doctor. Wilson hired him more for his bonhomie and unflagging devotion. Dr. Cary Grayson's prescription for Wilson's ailments was play, especially golf (he once took 26 shots on a single hole) and auto rides through Rock Creek Park. But on the western trip, Wilson could rarely escape even to take a walk.

Just before the scheduled end of the tour, Wilson collapsed and was returned to Washington—where, three days later, he suffered a stroke that left him an invalid. When his secretary of state convened a Cabinet meeting to discuss his health emergency, the president fired him. Alone with his wife and a few aides, he ordered Democrats to vote against compromises that would have saved some form of the treaty.



A quarter-century later, after another world war, the U.S. and its allies constructed a new world order based on mutual-protection pacts like NATO and the United Nations. Had Wilson compromised, the League of Nations might have evolved to fill those kinds of roles. Another global conflict might have been avoided. Now, Donald Trump has done his best to unravel these organizations and other agreements, like the Paris climate accord and the Iran nuclear pact. What Wilson started, Trump aims to rip apart.

Wilson's insecurity made him a gambler. Rather than bargaining, he bet everything on big ideas, big speeches, big gestures. Even when the Senate rejected the treaty in November 1919 and March 1920, he wanted to double down. Alone in a dark room in the White House, now an invalid, he fantasized about running for president again in 1920. He also entertained ideas about a national referendum on the League.

In that sense, Wilson resembled the current president who declares that "I alone can fix it" and calls himself "the chosen one." Wilson believed in his singular role in history. "Remember that God ordained that I should be the next president of the United States," he told one party leader.

Still, when his party moved on from him in 1920, Wilson accepted it. "We are still in darkness but I am sure that it is the darkness that eventually lightens," he told a visitor after leaving the White House. "I realize now that I am only... a tool that has served the purpose in God's hand. I was stricken because it was His way of doing things. It was His will to set me aside; He knows what is best."

Sparkling *the* brain

Research suggests that ‘go-go’ exercise improves fitness and academic performance

BY CHARLES EUCHNER | PHOTOS BY MICHAEL MANNING

Music from a homemade CD blares from a crackling sound system at the Millis Middle School in the town of the same name. Twenty eighth-graders stream into the gym and pick up heart monitors lying in a straight line on a desk. The students wrap the long black plastic bands around their chests, slip on wristbands that record the heart signals sent from the bands, and start to move.

Some stretch their legs. Some shoot baskets. Some run laps. After a while they start playing “ultimate ball,” a fast-paced game where teams of three kids run up and down the gym floor throwing the ball to each other. Players get the ball, run, and throw. They constantly change direction and sometimes bump into each other. With such urgency to get rid of the

ball, no one kid dominates the floor, and no one gets left out of the action.

The one constant in all this activity is nonstop motion. For a visual image, think of the hyper Jim Carrey in the movie *Mask*, multiplied by 20. The goal is to keep students in “the zone”—with their hearts beating at peak rates of at least 175 beats a minute—for 20 or 30 minutes. At the end of the class, students check the data from their heart monitors. In this March class, all but two of the students played in the zone for at least 20 minutes.

Fitness experts have long celebrated the effects of aerobic activity on the body, such as weight loss, increased oxygen supply, lower cholesterol levels, better efficiency in the nervous system, and better lung



Physical education instructor Scott Kendrick, center, created his own fitness program for Millis Middle School.

and heart capacity. Now Harvard Medical School psychiatrist John Ratey says another benefit can be added to this list: dramatic gains in learning capacity.

Ratey has been traveling around the country promoting a new model of physical education with born-again zeal. In February, he published a provocative new book, *Spark: The Revolutionary New Science of Exercise and the*

Brain, that details the growing evidence that exercise gives the brain greater capacity to learn.

“The brain is really no different than any other part of the body, like muscles,” says the 60-year-old Ratey, a lifelong athlete who was a high school tennis star growing up in Beaver, Pennsylvania, and began running marathons when he moved to Boston in the 1970s. “We used to think

that once the brain developed, it was set. But that's not true. It's a very dynamic thing. You can shape the brain, make it better. And exercise is one way to do it."

From the pre-teen years to early adulthood, Ratey says, we develop twice as many branches in our brain cells than at any other time, a process that scientists call "exuberance." This cranial festival makes the brain more "plastic," or capable of change, than at any other time after infancy. Not only does the brain's gray matter bloom, but a process called myelination fosters connections between the right and left hemispheres.

Exercise offers an ideal way to excite the brain, Ratey says. During periods of high-intensity exercise, chemical messengers move more freely among the brain's 100 billion neurons. With exercise, the neurons' dendrites (the antennae that send and receive signals) and synapses (the molecule-rich points of connection between neurons) become more vital, improving their capacity to give and receive messages.

Studies show that learning is greatest in the two or three hours after strenuous exercise, when the physical activity makes the brain more "plastic." Ratey says some kids can keep their learning edge for a whole day, but he suggests two-a-day workouts, once before school and once to fight early-afternoon blahs. The exercise primes the brain for learning; after physical activity it takes in more ideas and retains them longer.

"It's incredible to see all the kids able to do this," Ratey says as he watches the Millis students jump rope. Some of the students whip the rope around in a crisscross like Rocky training for his fight with Apollo Creed. "This is hard work. It's good for the cerebellum. You really give the brain a workout."

A FALLOFF IN PHYSICAL EDUCATION

The spectacle of kids exercising with such frenzy and joy (every kid on the floor in Millis wore a smile) is a rarity in public schools these days. Statewide, and across the nation, fitness programs have suffered deep losses since the 1990s. Like art and music, fitness is considered a frill—nice to have, but not essential for kids getting ready to compete in a global economy.

Massachusetts mandates physical education for all grades, but it does not have any specific requirements for the number or kinds of classes. Theoretically, a school can provide one day of physical education a week and comply with state standards.

As late as 1996, the state required all children to get at least 90 minutes of exercise every week, and 80 percent of all Massachusetts kids took a physical education class at least once a week. Now the state has no minimum exercise requirement, and only 58 percent of Massachusetts kids

take a physical education class at least once a week. Anecdotal evidence suggests that gym classes have been hit hardest in poor school districts, which often lack adequate facilities and have cut back on faculty.

The Massachusetts chapter of the American Association for Health, Physical Education, Recreation, and Dance recommends at least 150 minutes a week of physical education for elementary school children and 225 minutes a week for upper-school children.

Nationally, the share of students participating in daily physical education classes declined from 42 percent to 28 percent between 1991 and 2003, according to *The Shape of the Nation*, a 2006 report from the National Association for Sport and Physical Education. American Association of

Learning potential may be at its peak a few hours after strenuous exercise, when the brain is more 'plastic.'

Health, Physical Education, Recreation, and Dance. At the time of the report, only two states, New York and Illinois, mandated specific time for physical education. Only 5 percent of schools required PE classes in the 12th grade, compared with 50 percent in grades one through five and 25 percent in grade eight. Only 8 percent of elementary schools and 6 percent of high schools provided daily PE for all grades.

The falloff in physical education requirements has coincided with a bulge in childhood obesity and sedentary lifestyles. *The Shape of the Nation* reported that the percentage of young people who were overweight had tripled since 1980. Sixteen percent of children aged 6 to 19 were overweight, and 60 percent of children aged 6 to 10 faced some risk of cardiovascular disease, such as high blood pressure or excessive levels of cholesterol. One-quarter of the children in this age group had two or more risk factors.

LIKE 'MIRACLE GRO' FOR THE BRAIN

Naperville, a Chicago suburb, is ground zero for the revolution in fitness-based learning. Physical education classes in Naperville once focused on skills and strength, which frustrated the vast majority of students who simply needed to get fit. The district's innovators wanted to change the dynamic of physical education, so they invented high-speed games and tried to make socializing an important value. A square-dancing class, for example, not

only gets kids moving but also gets them talking. Heathers have to chat up nerds; jocks chat up brains.

Students gather at school for “Zero Hour PE” every morning at 7:10. After strapping on heart monitors, they run a mile around the outdoor track, hitting a red button that gives them times for every lap. The instant feedback gives the kids a time to beat next time around the track. The fitness routines take place before school starts so that kids are ready to learn.

The effort has paid off. In the district of 16,000 students, only 3 percent are overweight, while nationwide 30 percent of school-age children are overweight and another 30 percent are “on the cusp.” Craig Broeder, a researcher at nearby Benedictine University, dismisses claims that Naperville students are more fit because their parents are generally affluent and well-educated. “The numbers are too high for it to just be that,” he says. “Let me put it this way. You can’t say for sure that the PE program does it, but their fitness is so far off the scale that it can’t be just because it’s *Naperville*.”

The Chicago suburb of Naperville transformed phys ed by focusing on speed and fitness rather than strength.

A fitness-learning link may also be emerging, according to research conducted by Ratey. Students at Naperville Central High School (where annual per-pupil spending was \$8,939 in 2005) outperformed the students of New Trier High School in Evanston (with per-pupil spending of \$15,403) on the state’s mandatory tests. On the Trends in International Mathematics and Science Study, a rigorous test that matches selected American schools with its toughest global competitors, Naperville’s eighth-graders finished first in the world in science and sixth in the world on math, according to Ratey. “Obviously there are a lot of factors,” he says. “But exercise is definitely one of them.”

Dozens of studies have found that when subjects are placed in physically demanding environments, they develop their brains more quickly. A landmark 1995 study by Carl Cotman found that exercise strengthens not only the cerebellum and other motion-oriented parts of the brain, but also the hippocampus, which is essential for learning. A 2005 study of nearly 900,000 students in California found strong correlation between fitness standards and scores on the SAT and other standardized tests, and a 2007 German study indicated that people learn vocabulary

words 20 percent faster after exercise. Another 2007 study found that one 30-minute session on a treadmill increases information processing and cognitive flexibility.

Research suggests that people today burn 62 percent less energy, per unit of body mass, than our Paleolithic ancestors. So how much exercise should we be getting? Ratey suggests a simple formula: Multiply body weight by eight for the total number of calories to burn in a week. A 150-pound boy, for example, would need to burn 1,200 calories a week—say, by exercising six times weekly and burning 200 calories with each workout.

High-impact exercise, Ratey says, fertilizes the brain “like Miracle Gro.” The lush the brain’s landscape, the greater the opportunity to reshape the brain every day. Exercise, he says, strengthens virtually every section of the brain, including those devoted to memory and problem-solving.

(Ratey also says he has weaned patients of all ages off medication by putting them on high-intensity exercise regimens. Prescriptions for Prozac, Ritalin, and Zoloft, he acknowledges, can help patients with depression or attention deficit disorder, but he says they do not work on the whole brain or the whole person. Exercise reshapes the brain’s whole landscape, Ratey says, without debilitating side effects.)

He practices what he preaches. Watching TV at night, he runs outside to jump rope during commercials. He says he likes what it *feels like* to play. “Play is something worthwhile in itself,” he says. “But it’s also social skills training, it’s trying things out and learning how to get along.”

Since reports of Naperville’s success have circulated, other districts have gotten into the act. Titusville, a declining industrial town in western Pennsylvania with a median income of \$25,000 and 75 percent of its kindergarteners on the school-lunch program, started a new fitness program in 2000. Since then, scores on standardized tests have risen from below the state average to 17 percent above on reading and 18 percent above in math. Titusville officials also claim that the junior high school has not had a single fistfight since 2000.

Ratey has been working with schools in San Diego, Charleston, and Chicago, and at a recent wellness conference in Boston, he pushed for the Boston public schools to be next. Meanwhile, a Kansas City–based organization called PE4Life has taken up the challenge of training teachers, collecting information on best practices, and helping districts develop new programs. (PE4Life provided materials for the fitness programs in Millis and Natick.) And now parents and school administrators are calling Ratey to ask permission to start “spark clubs” so kids can play high-speed games to keep in shape. He claims no control of the word “spark,” despite his book’s title.

“I say, ‘Go ahead,’” Ratey laughs. “Why not have as

many of these clubs form as possible? That's how change is going to happen."

FORGING BETTER CONNECTIONS

Scott Kendrick discovered the body-brain connection while taking distance courses with Ratey as a master's student at Bridgewater State College. The former National Guardsman has read *Spark* and carries a binder full of academic journal articles on the body-brain connection. When he took the Millis job in the summer of 2006, he had only weeks to prepare for the fall, but he visited the schools in Naperville and came away impressed.

A three-year \$150,000 grant from the Metro West Community Health Care Foundation allowed Kendrick to create his own fitness program. The school's principal carved out one period a day for seventh and eighth graders, and Kendrick gets the kids every day for one semester. (During the other semester, the time is used for MCAS

The irregular movements of 'ultimate ball'—like those in ballet, skating, and karate—engage many parts of the brain.

prep classes.) "I wish I had them for 180 days, not just 90," Kendrick says.

During one of Kendrick's classes, the students play "ultimate ball." Because the game moves so fast, the kids have to be alert at all times. Their eyes are wide open, like Little Orphan Annie, and they move with sudden stops and starts. The irregular movements—like those in dancing, ballet, gymnastics, figure skating, Pilates, and karate—engage many parts of the brain and force them to work harder, says Ratey. That leads to better connections among the brain's 100 billion neurons, he adds.

When the kids aren't playing go-go games, they learn about nutrition and other health issues. Students calculate the fat content of fast food. They watch as their teacher spoons out globs of fat from a can of Crisco, just to show how disgusting fat buildup can be. To show what's in a can of Coke, the teacher pours tablespoon after tablespoon of granulated sugar into a glass.

The 29-year-old Kendrick stresses fun. He tries to get kids to be in the zone for as much as possible of their 30-minute games. He cheers when students tell him that their heart rates have reached 175, 180, or even 190 beats a minute. "Good going," he tells a student who reports a heart rate of 190 and peak rates for 23 of the game's 32

minutes.

"The heart-rate data and the weight issue [are] secondary," Kendrick says. "I would never ever, ever, ever mention their weight or even heart rate unless they asked about it. I could be really brutal with an exercise routine. But when the kids have a great time, they're more likely over the long time to be healthy. The weight issue is so sensitive. They're so self-conscious. Once you focus on things like that, it makes them obsess. If they're having fun and feel great about themselves, they'll do it and keep doing it."

The emphasis on fun helped seventh-grade student Vanessa Pourier thrive during the roughest period in her young life. Vanessa's parents worried that family tensions—the breakup of their marriage, her mother's struggle to get back on the job market, her older brother's battle with depression, and Vanessa's ongoing problems with being overweight—would sabotage Vanessa's school work and social life.

But despite the family problems, her grades and spirit actually improved after she started participating in the Millis exercise program. She also lost weight and started feeling better about herself. When she came home from school, she sought out her mother to chat about fitness and nutrition. "We never talked about any classes like this before," Janine says. "Something was happening. It was an emotional relief and gave her hope that maybe [by] getting in shape, with the right tools, she could achieve her goals."

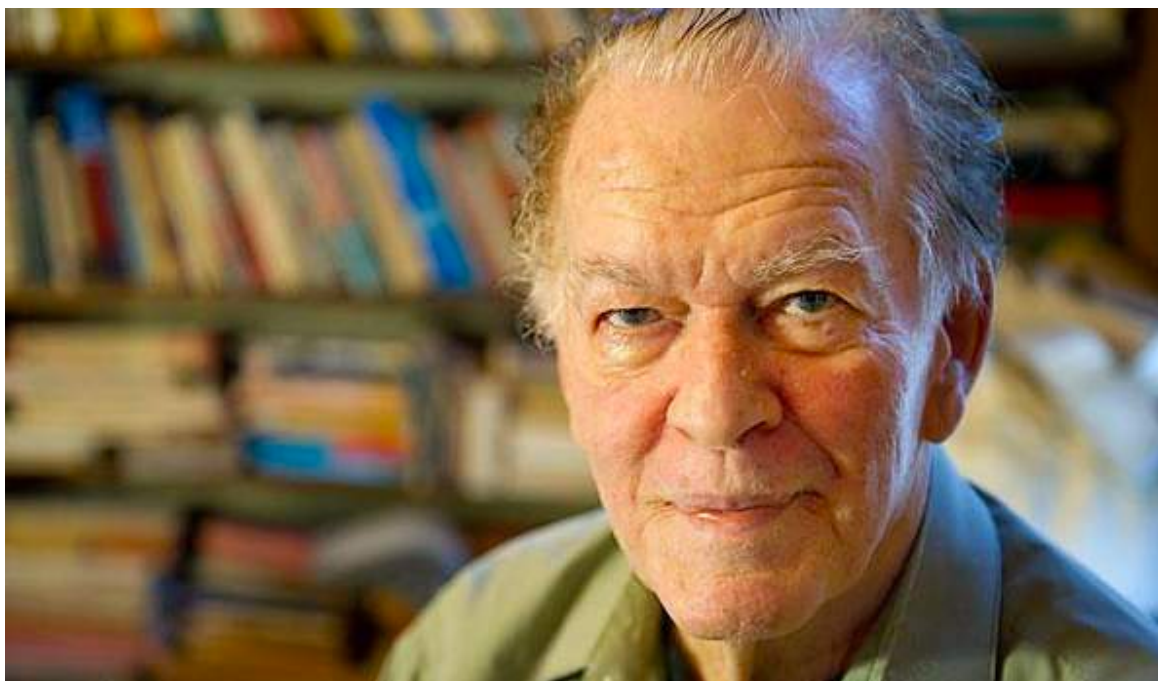
Another Millis mother, Shefali Desai, also noticed changes in her child's health and learning after taking the fitness class. Karishma, also a seventh grader, lost more than 10 pounds and became more energetic and alert throughout the day. "She manages her time much better, and she's less distracted," says her mother. "She is more enthusiastic about all subjects. If she sees an A-minus now, she wants better. She's paying more attention."

Other parents and teachers tell similar stories—of kids losing weight, embracing exercise for the first time, improving their scores on tests, arriving in class ready to learn. But with the Metro West grant expiring after the 2008-09 school year, who knows whether the program will become a permanent part of the school's offerings? The program is easy to set up—all the district needs is a teacher who cares about go-go exercise and a time slot for students to meet—but the traditional gym class is the only program guaranteed to continue.

Kendrick, who hopes to stay and earn tenure after the 2008-09 school year, is philosophical. "It's all pretty simple, you know?" says Kendrick. "You just have to do it." **CW**

Charles Euchner, a New Haven writer, was the executive director of the Rappaport Institute for Greater Boston at Harvard University from 2000 to 2004.

The Most Influential Man You Don't Know



By **CHARLES EUCHNER**

A shy and slight man, nearing 80 years old, toils away in a row house in East Boston. He's wearing black, as usual—not as a fashion statement, but because it's easy. He taps on his computer and answers his phone. At his feet sits his black Great Dane, Caesar. In his dark office, where floor-to-ceiling bookcases block the sunlight and manuscripts cover the tables, he seems to disappear. It's an appropriate image. Gene Sharp is probably the most important person you've never heard of.

Sharp gets calls from dissidents across the globe, seeking permission to translate one of his books to use in their political campaigns. Sometimes he travels to international conferences. Last spring he went to one on Mohandas Gandhi's 1930 salt

march, the defining moment of India's campaign for independence.

Gandhi, Henry David Thoreau, Leo Tolstoy, and Martin Luther King Jr. wrote the most soaring rhetoric of nonviolence. But scholars generally agree that Sharp has done more than anyone to document how nonviolence works as a strategy of political action.

Sharp's work helped script the peaceful uprisings that have defined the last generation in Eastern Europe, China, Burma, and Latin America. In 1991, when Boris Yeltsin climbed atop an armored vehicle at the Russian Federation headquarters in Moscow to face down the putsch, one of Sharp's pamphlets was seen fluttering nearby.

For nearly three decades, Sharp toiled at Harvard's Center for International Studies. He also taught at the University of

Massachusetts at Dartmouth, where he is an emeritus professor. He lived on grants, and in 1983 he founded his own research group, the Albert Einstein Institution. Dazzled by his vision of revolutionary change, some of the best young minds in social science flocked to work with him.

UNDERSTANDING POWER

Throughout his childhood in Ohio, Sharp and his family moved often. His father, a stern Presbyterian minister, changed congregations regularly. Gene didn't make many friends. He remembers playing with his dog, joining in softball games, and exploring the neighborhood. And reading. The Sharps finally settled in Columbus.

During World War II, Gene read newspaper reports of the conflict in Europe and the Pacific, dramatic accounts of Dresden and Hiroshima, and early reports of concentration camps and torture. He wondered what caused people to fight wars. At Ohio State, Sharp wrote an honors thesis on war. He joined a study group on civil rights at the YMCA and took part in an early sit-in at a luncheonette.

"There was only one man on duty," he said. "There were 10 of us, an interracial group. Finally, they called the police, and amazing for Ohio at that time, [the police] were all African American. So we weren't arrested. But we didn't get served."

After graduation, in 1949, Sharp went to London to be a reporter for Peace News, a 15,000-circulation weekly. Scholars at the Institute of Philosophy in Norway invited him to come to Oslo to study nonviolent action. He interviewed everyday people who resisted the Nazis simply by refusing to follow orders. He began compiling a typology of nonviolence.

He went to Oxford, where he tried to place nonviolence into a larger theory of power. Reading the classics of political theory, he found little satisfaction. Only Thomas Hobbes understood the underlying dynamic of power. In Hobbes' *Leviathan*, the Sovereign trembles in fear that the masses will rise in revolt.

Power, Sharp realized, is a relationship. No government—even one with vast armies of soldiers and bureaucrats, control of

the media and economy—can survive unless the people obey. The central imperative of nonviolent action is to withdraw consent from the regime until it accepts the demands of the people. If enough people refuse to obey the state, the state will lose its power.

BACK AT OHIO STATE

Sharp returned to Ohio State to get a graduate degree in sociology. He spent hours in the basement of the library, reading British and Indian newspaper accounts of Gandhi's nonviolent campaign for Indian independence. The yellowing newspapers told Sharp something that confused—even scared—him. Conventional wisdom held that nonviolence requires moral purity. It was considered synonymous with pacifism and the Christlike imperative to turn the other cheek. By refusing to meet violence with violence, activists demonstrated righteousness. That moral superiority aroused the public conscience.

But the newspapers told a different story. Using nonviolence did not require a pure moral spirit. The people in the Indian independence movement were not just the righteous few, but the flawed many. They used nonviolence because it worked, not because it was morally pure.

"The people used these methods in a very disciplined way [but] didn't believe in them ethically," Sharp said. "They were not basing their action on the moral superiority. I was at first a bit shocked."

He asked himself, "Should I write this down?" To acknowledge that nonviolence is not necessarily a moral strategy seemed, in a way, illicit. But that's what the evidence of Gandhi's movement showed. The importance of Sharp's insight was huge. Democratic revolutions do not need to wait for a morally pure generation. Anyone, anytime, can adopt a strategy of nonviolent revolution.

A PRAGMATIC STRATEGY

Sharp decided to spend his life documenting and analyzing the methods that ordinary people could use to resist repressive regimes. He wanted to say everything that needed to be said about nonviolence

as a pragmatic strategy. Over the years, Sharp put this knowledge in the hands of oppressed people everywhere—in the nations of the old Soviet empire, in dictatorships from Asia to Africa to Latin America, in the Middle East. His works became how-to guides for achieving freedom and democracy.

In their zeal to destroy a bad regime—and to get even—activists are tempted to use violence against the government. But violence usually doesn't work because it plays into the regime's strength. Even when violence succeeds in overthrowing the regime, one group of tyrants simply replaces another. Repression and resentment begin a new cycle. To develop an effective strategy, activists need to identify the government's weak spots and attack them. Using the right combination of non-violent methods, activists can weaken their opponents.

Sharp embodies the academic ideal of careful competence. He eschews colorful expressions in favor of precision. He makes few grand claims for his work. But he believes his ideas about nonviolence could transform basic theories of power. That's not, he said, because of his own brilliance as a theorist. It's because he discovered a fundamental truth of politics and worked more than half a century to document it.

A THEORY OF POLITICS

Friendly critics lament that Sharp has not submitted his work—a massive collection of articles, arranged by topic—to rigorous academic testing. Colleagues have drawn up ambitious research agendas, which have languished. But Sharp believes in his ideas. He thinks he has developed a whole new theory of politics.

The theory can be stated simply: *Power, even in the most closed and brutal dictatorship, depends on consent. Ordinary people can band together to withdraw their consent.* Movements succeed when they refuse to resort to violence, since the regime always possesses superior instruments of violence. Ergo, the future of democracy and freedom depends on nonviolence.

Ironically, the military understands Sharp's work best. "I've basically given up on [peace activists]," he said. "They think

you get rid of war by refusing to take part and protesting. No! You get rid of war when people have something else they can do more effectively."

Robert Helvey, a career military man, recruited Sharp to help train Burmese activists in their underground campaign against the military government. Sharp wrote the document that became *From Dictatorship to Democracy*, a concise restatement of his other work. The 88-page primer has been translated into dozens of languages. Some of his most eager readers are dictators and their henchmen. That's a good thing, he said. "They'll know what they're up against. They will know that so many dictatorships have been brought down with the aid of these methods.

"They will have to be careful, because if they kill too many people it will weaken them. That will reduce the dangers to the demonstrators. That will mean more people will have the guts to go out and demonstrate. And the regime will reduce the degree of their brutality."

AN ANONYMOUS STAR

Gene Sharp's work will inspire democracy movements and scholars for generations to come. But the man behind the work remains an enigma.

Sharp never married because, he said, he wanted to devote his energy to his work. "I probably could never have had my life if I had married with children to support," he said.

Asked how his best friends would describe him, he at first said he has "no best friends." Then he laughed. A friend, he conceded, might answer, "I think I knew him somewhere."

After prodding, he gave the final verdict: "He's passionate, stubborn, persistent."

Sharp has always insisted on doing things his way. He does not want to charm donors or adjust the Einstein Institution's agenda for them. A donor who kept the organization going for 20 years left after a disagreement. Recounting the incident, Sharp shrugged. These days, Sharp is almost all alone. The institute moved last year from Harvard Square to his row house. The staff now consists of just him

and an assistant. A Salvadoran family living on the third floor helps with household chores.

Sharp's only interest besides his studies is orchids, which he tends in a makeshift greenhouse on the top level of his house. Sometimes, he acknowledged, they get neglected.

Sharp is healthy, but he knows his time is limited. He travels, but he's more interested in completing his writings than explaining them to audiences. When he finally stops working, the Einstein Institution will probably expire.

In the U.S., Sharp remains anonymous. He doesn't get invited to parties or conferences like other academic stars. Helvey, who says Sharp's theories of nonviolence transformed his view of how the world works, laments Sharp's anonymity. "He is more famous in 15 other languages than English," he said.

In his 1973 masterwork, the three-volume *Politics of Nonviolent Action*, Sharp documented 198 methods of nonviolent action. "Someone recently told me there are three or four other ones that occurred in the last few years," he said. "I'll have to add them."

Herman Miller

Preserving and Leveraging Culture in a Strategic Shift

Charles Euchner¹

“Inspiring designs to help people do great things”
Herman Miller mission statement

Approaching his tenth anniversary as CEO of Herman Miller (NASDAQ: MLHR), Brian Walker found himself in a pensive frame of mind, reflecting on what had been accomplished during his tenure and on the future challenges ahead. It was the end of 2014, two and a half years since Walker had announced a major strategic initiative that he called “Shift.” The strategy would take the furniture company far from its roots in rural West Michigan, expand its product line, and develop more direct connections to consumers.

Walker knew he was steward to a storied company with a distinctive place in corporate history. Through its emphasis on design, Herman Miller had been in the vanguard of the modernist movement in furniture and had become a leader in providing cutting-edge office fixtures. The company also set audacious goals to protect the environment and established a major institute on facility management. Through it all, the company culture honored the evangelical Christian values of West Michigan – in particular, the Reformed Protestant tradition embraced by its first CEOs from the De Pree family – to create a human resource system that celebrated the whole worker.

Still, the furniture industry was subject to the ups and downs of economic cycles. Herman Miller had been hit hard by the recession that began in 2008, requiring layoffs and cutbacks in training that challenged the firm’s values-based, covenantal culture. To fuel growth and expand the firm’s global footprint, Walker and his executives had framed the Shift strategy and embarked on an ambitious series of acquisitions.

The Shift strategy had introduced massive change into a tight-knit, conservative enterprise. A twenty-five year veteran of the firm and its former CFO, Walker believed Shift would require a number of significant adjustments to Herman Miller. Looking ahead, he pondered the challenge of continuing to implement the strategy without tearing the fabric of what had made the company special.

Company Background and History

In 2014, Herman Miller was the third largest furniture maker (by revenue) in the U.S., with annual revenues approaching \$2 billion. The company had long been considered a leader in modern design, with innovations from the Eames® chair to the Action Office®. Headquartered in Zeeland, Michigan, the company had manufacturing plants in the United States, the United Kingdom, Italy, and China, as well as sales offices, dealers, licensees, and customers in over 100 countries. The firm was known for its “human centric” values and a “higher ambition” of creating both economic and social value. These values are reflected in a number of policies and practices – including zero environmental footprint, commitment to community service, care of the employee as a “whole person,” same-sex benefits, and time off for volunteer work – that set the standard for a values-based company.

Becoming a Leader in Modern Design

Herman Miller’s history extends back to 1905 with the founding of the Michigan Star Furniture Company in the timber-rich region of West Michigan; an area that had spawned dozens of furniture companies. The company sold middle-class furniture – living room and bedroom sets, ornately decorated, with traditional forms and materials. The company also followed a traditional approach to manufacturing, labor relations, and sales. A former clerk named D.J. De Pree became president in 1919, and then in 1923 convinced his father-in-law, Herman Miller, to buy majority control of the company. After the acquisition, De Pree renamed the company in his honor.

Herman Miller’s transition from one of many traditional firms to a leader in modern design began during the Great Depression. As the company struggled through the difficult times, an east-coast designer named Gilbert Rohde proposed a radical new line of furniture. A new urban age, Rohde argued, required furniture to be spare, simple, unobtrusive, and honest, designed not for show but to serve the needs of particular rooms and the people who occupy them. When Rohde presented his first designs, De Pree balked. “They looked like they had been done in a manual training school,” he told Rohde.

De Pree finally agreed to produce Rohde’s designs. Sales were sluggish at first but picked up as the modernist movement gained popularity. Over the years, Rohde’s design philosophy was wired into Herman Miller’s DNA. Hugh De Pree, D.J.’s son and the company’s longtime president, summarized Rohde’s impact: “Gilbert Rohde elevated our way of thinking from merely selling furniture to selling a way of life.” By cutting unnecessary ornamentation, Rohde aimed to give priority to the furniture’s users and places.

Gilbert Rohde died unexpectedly in 1944. This was a great blow to De Pree and the company; as the design director, Rohde had primary control of product design and marketing. After an extensive search, De Pree appointed George Nelson as the company’s second design director. While Nelson was a prolific designer in his own right, he became even better known for his ability to articulate the design ethic of Herman Miller, develop innovative marketing strategies, and recruit the best design talent of the day. He and De Pree reached out to leaders in the field, including Ray and Charles Eames, Isamu Noguchi and Alexander Girard. Nelson’s efforts soon bore fruit. A lounge chair designed by the Eameses in 1956 captured the national imagination and epitomized Herman Miller’s approach to furniture design – inventive, modern, functional, simple, comfortable, and democratic.

In 1948, George Nelson laid out the ethic that would guide Herman Miller for decades:

1. What you make is important.
2. Design is an integral part of the business.
3. The product must be honest.
4. You decide what you will make.
5. There is a market for good design.

Believing in good design and giving designers free rein to propose new products, Herman Miller continued to work with the industry's best and the brightest. The company did not hire the designers as employees; most worked far from the corporate headquarters, which placed a premium on trust and commitment. The designers' independence, said Don Goeman, the company's vice president of design and development, allowed them to create "at a distance from the kinds of day-to-day internal processes that might inhibit their thinking and [would otherwise] prevent a greater level of creativity from emerging." The company believed that the autonomy of designers was crucial for fostering innovation.

During the 1960s, Robert Propst extended Herman Miller's design approach to the workplace. He created unobtrusive storage units that allowed the configuration of flexible, semi-enclosed workspaces, which the company called the Action Office. (In time, knock-offs of the Action Office became the ubiquitous cubicle collections that characterize "Dilbert" offices of the late twentieth century.) With the spread of the Action Office, Herman Miller furniture became a standard with high-end professional workspaces.

Herman Miller spent lavishly on research – on the needs of professionals in different industries, the ergonomics of body movements, and on supporting technologies like electricity and lighting. This information was then communicated to designers who created new furniture solutions.

The Herman Miller design ethos, over the years, could be seen not just in the furniture itself, but also in the production process and relationships with clients and workers. Simplicity and clarity was the goal. Just as furniture needed to be designed for specific purposes – the Eames chair and footrest for relaxation, the Embody® for long stretches of desk work, and so on – the production process needed to eliminate unnecessary materials and movements. And the company's relations with workers and clients needed to embody simple ethics of focus, commitment, openness to learning, constant improvement, and team work.

Customers

Herman Miller's path-breaking design work with the Action Office led to an increasing emphasis on selling complete design solutions to large corporations. The sales force worked directly with procurement officers, architects, or designers responsible for configuring workspaces in global companies. In addition to corporations, the firm did significant amounts of business with government, educational institutions, and, increasingly, in the health care sector.

Among retail consumers, Herman Miller was best known for its iconic designs. (See **Exhibit 1**.) The firm's primary retail channels included top-line dealers and independent distributorships. Herman Miller conducted some direct sales through an online site and a few retail outlets in New York and Japan. Customers were largely located in North America. In FY14, international sales accounted for just 20.8 percent of Herman Miller's revenues.

Culture

Herman Miller's products excited the forward-thinking elites in places like New York and San Francisco, but the company's corporate culture was rooted in the deeply Christian traditions of West Michigan.

Soon after becoming CEO, Brian Walker sought out a coach to tutor him on faith, traveling regularly to New Haven, Connecticut, to meet with Professor David Miller of the Yale Divinity School. Walker knew he had to speak the language of the people who made the company distinctive – not just the designers and executives, but also the people from the area who ran the factories and everyday operations. He noted:

This area has such a steeped background in its Christian roots, and that wasn't part of my upbringing and vocabulary. So I decided one of the things I was going to do is go learn more about religion and particularly Christianity so that as we were doing things, I could navigate it from an informed position rather than uninformed.

To articulate those values in more secular terms, the company composed a document entitled “Things That Matter,” a précis of the company’s tenets that was featured prominently in internal communications and on its website. (See **Exhibit 2.**)

Herman Miller preserved its culture through stories and symbols. People at the company – from the CEO’s perch in his open office to the newest factory worker – told stories to connect to the past and reinforce values and practices of the present. “We’re a big storytelling culture,” said Michael Ramirez, the senior vice president for people, places, and administration. “We live on stories ... You know, 34 percent of our [workforce] has been here 20 years or longer, so you get these great stories.”

Herman Miller gave a privileged place to storytelling through its “water carriers,” employees with 20 or more years of service who take on responsibility for connecting the company with its past through words and deeds. The term comes from Native American tribes. “Water carriers,” according to Max De Pree, the son of the founder and the then-CEO who introduced the concept in 1987, “transfer the essence of the institution to new people.” A reflecting pool and large Native American sculpture at company headquarters listed names of Herman Miller employees who have become water carriers. Over the years, a total of 3,085 Herman Miller have earned the title.

On the factory floors, stories could be found in four-foot-high boards filled with information about the goals, progress, players, and strategies of different work units. In Herman Miller’s headquarters, a 6,388-square-foot open space – which included museum-like displays of the company’s iconic pieces – expressed the company’s history and ideals. One display showed the evolution of the chair with the things that inspired new designs – molded plywood for the Eames chair, a catcher’s mitt for the pillow-like Ergon®, and a model of a human spine and a tennis racket for the ergonomic Aeron®.

One company tale explained how CEO Walker came to embrace Herman Miller’s new mission statement:

For months, the leaders of Herman Miller debated a mission statement. Finally, an ad-hoc working group came up with a simple phrase: “Inspiring designs to help people do great things.” But Walker was unsure. The statement seemed overreaching. Can a furniture company really play such a vital role in people’s lives?

As the debate about the mission continued, Walker happened to be visiting the Wynn Institute for Vision Research at the University of Iowa. Walker’s son suffers from retinitis pigmentosa, an inherited disease that could rob him of his vision. Walker has become an activist, organizing fundraisers and consulting experts to find a cure.

During his visit, Walker met Budd Tucker, a stem cell specialist who directs research on the rare disease. He found Tucker sitting in a Herman Miller Embody® chair. Tucker told Walker that years before, while interning at Harvard Medical School, he had struggled with regular back and neck pain from a skiing accident. Then he contracted meningitis, further hurting his back. Tucker could not sit for more than 20 minutes without feeling pain. Long an aficionado of design, he requested that Harvard purchase him a black Embody chair for work. The pain disappeared. “Now I could sit for hours on end, working on curing

blindness.” When the Iowa Institute recruited him away from Harvard, his only request was an Embody chair.

After hearing the story, Walker immediately called his colleagues in Michigan and told them to adopt the mission statement that he had previously doubted.

Human Resources

Another story that employees told was of how Herman Miller came to adopt its employee practices:

In 1927, a millworker named Herman Rummelt died of a heart attack. D.J. De Pree, the company’s founder, visited his widow, who read some sheets of poetry her husband had written. At the funeral, a couple of days later, the minister read more of the poetry. By time he returned home from the burial, De Pree decided that “the Lord is dealing with me about my attitude toward labor.” He wondered: “Was [Rummelt] a poet who did millwright’s work, or was he a millwright who wrote poetry?” The lesson, De Pree decided, is that “we are all extraordinary.”

After reflecting on the millwright’s life, De Pree overhauled the company’s approach to workers. A worker’s identity went far beyond the work they did. Honoring the “whole worker,” De Pree decided, would foster a more cohesive company culture and spur workers’ efficiency and creativity.

The Scanlon Plan: The most significant policy resulting from the “whole worker” mindset was the so-called Scanlon Plan, which engages workers in joint decision-making and offers “gainsharing” based on company performance improvements. Working with Professor Carl Frost of Michigan State University beginning in 1950, Herman Miller set out to make workers full partners in the company. Herman Miller set up two committees – one for sharing ideas on company operations, the other for sharing the profits with all workers. D.J.’s son Hugh De Pree, who served as CEO for a quarter century in the 1960s through 1980s, described the plan: “It was a change from ‘piece work’ and every man for himself to each person being not only responsible for himself but for every other person in the organization.” In 1983, Herman Miller established a plan making all workers shareholders and eligible to share in company profits. By the end of the century, workers owned 16 percent of all Herman Miller shares.

Community Service: To foster the whole worker, Herman Miller granted all employees 16 paid hours off a year for community service and sponsors service activities, with initiatives ranging from river cleanups to youth-mentoring to home-building, with We Care, Habitat for Humanity, Women to Women, and other organizations. The company regularly exceeded its goal of 15,000 volunteer hours a year. Employees at all levels mentioned the enhanced sense of pride and purpose derived from these activities, which were chronicled in an annual publication, *Spirit: Stories of Community at Herman Miller*, with text and photographs contributed by company volunteers.

Hiring. Workers at Herman Miller, according to a constant refrain at the company, were “self-selecting.” Workers often chose to work at Herman Miller because of its evangelical Christian origins and its ongoing concern for workers. One worker recalled asking to take time off before starting his job in order to do community work in Kenya. “I wouldn’t want you to work here if you didn’t want to take that internship,” Herman Miller’s recruiter told him. “Go learn something, bring us something back and be a better employee when you get here.”

The Herman Miller culture was not for everyone. Located in a small town, dedicated to teamwork, committed to strategies that take the long view, the company did not work well for big egos or galloping ambitions. When people interview for jobs, they did not always know what they’re getting into. Most hires fit in right away; but some do not. Stories of bad hiring decisions circulate throughout the company. Kathy Spinelli, the vice president of talent, remembered firing a manager with an extensive track record as

an entrepreneur. “He was an absolute jerk and they finally said, ‘OK, this is not who we are and he’s got to go.’”

Upward Mobility: Workers who started on the factory floor have the opportunity to rise to team leaders and facilitators—and higher. Nancy Houghtaling, a general manager for the consumer experience, recounted her rise up the ranks:

I started in production years ago on second shift. I went into a lower-level customer-service-type role. Then I moved into a material planning role, supporting the plant and making sure that they have their parts on time. We used to have a plant down in Sanford, North Carolina, and so I went down there. I also spent some time in the U.K. years ago when we put [our Toyota-like production system] into place. And that was still in materials. Then I came back to a plant in Spring Lake, Michigan. That’s when I crossed over from materials into actually manufacturing leadership.

Still, not all employees understood or sought those opportunities. Many workers placed a higher value on their lives outside of work. One employee said he appreciated the company respecting his priorities—“Faith, family, friends, and then maybe furniture, in that order.” But the company provided opportunity for workers that wanted it.

Long-term employment: For decades, Herman Miller offered an implicit promise that, in the words of Board Chairman Michael Volkema, “if you came to work and you did a good job, you got lifetime employment.” When certain jobs got phased out, workers could take on other positions. But the realities of market competition could not sustain that deal. The company laid off 6,000 workers in the 2000s. When layoffs became necessary, Volkema said, “we will try, to the best of our ability, to make you more marketable and help you bridge to a new opportunity.”

Diversity: Notwithstanding its semi-rural location and heritage of conservative religious values, Herman Miller made diversity a top priority. The company had won numerous media and trade group awards for its policies aimed at women (including working mothers), people of color, the LGBT population, and other underrepresented groups, both among its labor force and its suppliers. In 2013, women represented 39 percent of the workforce (32 percent of managers and executives). Minorities represented approximately 21 percent of the labor force.

One HR policy proved contentious: Herman Miller’s decision to offer health benefits to same-sex partners of workers. To Andy Lock, president of Herman Miller International, the decision represented a high point in the company’s history. The policy, Lock said, sent a powerful signal that Herman Miller is a good place to work for anyone with energy and creativity. In a design-oriented company, such a decision was not only morally important but also critical for business. “And we did it in west Michigan!” he said. “It wasn’t necessarily popular. . . . But we wanted to make this place feel good to everybody.” Some traditionalists responded with slurs on an in-house website, calling the health care policy immoral. But Walker stood firm. He told detractors:

My job on this earth is not to decide who the sinners are. There's only one being who gets to make that call. My job is to love everybody equally and take care of them in the way He would respect. So offering people access to health care is not a decision about who the sinners are. Rather, it is about equal access. In fact, we expanded the policy to include any person that both lives with an employee and the employee is the primary economic provider.

Turnover and satisfaction: Herman Miller was regularly honored as one of the best places to work. Anonymous comments and ratings on GlassDoor.com reflected widespread satisfaction. In November 2014, for example, the online employment site found that 98 percent of respondents would recommend the company to a friend and 99 percent approve of the CEO. Respondents praised the work-life balance,

benefits, commitment to innovation, and opportunities to rise in the company. The company reported a turnover rate ranging from two to four percent. According to Spinelli:

People seem to want to be here and want to stay. As we become less West Michigan-focused, we aren't sure that will hold true. I once had a recruiter tell me that Michigan was one of the hardest states to get people to move to, and then one of the hardest to get people to leave.

The company did get some criticism on GlassDoor.com. Some respondents complained about the company's tradition-bounded, isolated operations. "Too few women in senior management roles," said one. "The commission plans are convoluted," said another. "Processes and people's roles seem to change often," said a third. "How promotions or eliminations are decided seems to be a mystery," said another.

Staffing: As of May 31, 2014, the company employed 6,630 full-time and 162 part-time employees. In addition, the company used temporary labor to meet uneven demand in its manufacturing operations. About 8 percent of Herman Miller employees were covered by collective bargaining agreements, mainly employees of its Nemschoff and Herman Miller Ningbo subsidiaries.

Operations

Like many American companies, Herman Miller had long been fascinated with the logic and practices of the Toyota production process. In the spring of 1996, Hajima Ohba, the head of Toyota's consultancy for its "lean" manufacturing system, visited the company and began a long-term consulting relationship. Over the years, Ohba and his team took Herman Miller under their wings, teaching them Toyota's unique approach to manufacturing. Always evolving, never complete, the Herman Miller Production System (HMPS) became the center of every operation at the company.

Herman Miller defined HMPS as "a system that focuses on understanding and meeting our customer's needs exactly through the engagement and development of our employees." Workers played an active role on the factory floor. Operations were recorded and tracked on wall-sized boards throughout the factory. Those boards set goals, track progress and problems, and offered places for feedback and suggestions. Team leaders regularly engaged their workers on the speed of operations, safety issues, and the design of machines. Workers may stop floor operations when they discover problems. Facilitators roamed around the floor, looking for ways to make the process more efficient, safe, creative, and less taxing physically and mentally.

The factory's team leaders referred to their workers as athletes. At the beginning of every shift, factory teams gathered for stretching exercises and sharing objectives and ideas. Facilitators and team leaders looked for ways to reduce unnecessary movements—and lower-level workers were the source of many of these ideas. At Herman Miller, speed was just one consideration. Other considerations included reducing physical strain on workers, improving shop safety, offering greater variety of jobs, and connecting designers and engineers with other workers.

One story captured the payoff from this approach. As the Mirra 2® chair moved from design to production, an employee on the factory floor named (Jean) Pierre Fowler identified flaws that could have disrupted assembly. "He started to [ask] designers, 'Well listen, do we have to bolt this joint together? Can we actually have this one snap and have one screw underneath...?'" recalled Beau Seaver, vice president of seating operations. "We prevented 86 corrective actions before it ever hit the floor." Herman Miller people call the process of getting workers to suggest design improvements the "Pierre Cycle."

With consistent application of these manufacturing principles, Herman Miller had found that the company could actually reduce the automation of the manufacturing process. Workers exercising their judgment either individually or in the context of manufacturing teams boosted productivity. The work

floor became more flexible and capable. When machinery was required, workers actually helped design key elements of the process and helped to standardize processes.

Sustainability

In 1956, D.J. De Pree vowed that “Herman Miller will be a good steward of the environment.” Since then, the company had regularly ratcheted up its environmental agenda. But what did that mean? Producing less waste? Using biodegradable materials? Using less water and energy? Recycling wastes? Limiting the footprint of buildings? Designing facilities that did not destroy landscape and habitat? Using up-to-date insulation? Overhauling distribution networks? Creating products – including seating – that use less energy? Or that use simpler construction and thus allow easy disassembly for reuse?

Over the years, in fact, Herman Miller embraced all of these strategies. When Herman Miller realized that the rosewood in its signature Eames lounge chair was an endangered species, it began using other materials. When the toxic fumes of shellacs harmed workers – and users too – the company abandoned them.

In 1994, Herman Miller committed to building a new manufacturing facility embodying green design. Despite exceeding cost targets, the building became an instant success when it opened in 1995. It cut natural gas costs 7 percent, electricity 18 percent, and water and sewer costs 65 percent. The building also inspired workers – whose productivity rose slightly – and offered a destination for visitors who wanted to see the future.

As the new building took form, then-CEO Kermit Campbell considered how to raise the stakes for the company’s environmental mission. At a gathering at the Henry Ford Museum, he announced an audacious goal – Herman Miller would deliver no waste at all to landfills. Somehow, the company would figure out how to cut waste and reuse the scraps from the production process. The company reengineered many products to be disassembled quickly – and then reused in new pieces.

In 2014, Herman Miller continued its sustainability efforts. “Zero is still part of our vocabulary,” said Gabe Wing, director of safety and sustainability. Six Herman Miller factories had achieved the zero goal. The company also designed factories with net zero energy and water usage, taking what they need on-site and recycling the rest. Overall the company reduced energy usage by 50 percent.

Herman Miller also pressed its suppliers to develop green plans. Since “they have been down with us on this road before,” Wing said, they saw it not as an imposition but an opportunity to save money. Sharing ideas yields significant cost savings. One supplier, for example, rigged an aeration system on a cleaning system, reducing heating temperatures from 120 to 90 degrees. “We stole that idea,” said Wing. “We saved from \$300,000 to \$400,000.” The company’s sustainability efforts were also a source of pride among employees – and part of the firm’s market appeal.

Organization and Leadership

From the early part of the 20th century, when the De Pree family purchased the company, leadership and ownership of the company gradually devolved from the family’s exclusive control. Besides the shares granted the workers, the company listed its stock on the NASDAQ in 1970.

A member of the De Pree family served as CEO until Max De Pree handed over the reins of the company to Richard H. Ruch in 1987. De Pree served as board chairman until 1995; since then no De Prees have been employed by the company. Ruch was a 33-year veteran of the company with a long apprenticeship in the company’s executive ranks. In 1992, J. Kermit Campbell, a vice president at Dow Corning, became the first CEO from outside Herman Miller. After Campbell was forced out three years later, Mike Volkema took over. (See **Exhibit 3**.)

Volkema oversaw one of the first of two great financial jolts in the 2000s. After September 11 and the dot-com bubble burst, U.S. sales fell 34 percent, from \$2.24 billion to \$1.47 billion from 2001 to 2002. Profits of \$144.1 million turned into a loss of \$56 million one year later. “One night I went to bed a genius and woke up the town idiot,” Volkema quipped. Volkema laid off 38 percent of the company’s workers to respond to plunging demand. When Herman Miller closed a plant in Georgia, Volkema and COO Brian Walker went to meet with workers personally.

Walker became CEO in 2004 after serving as head of North America operations, CFO, and COO. Volkema continued as chairman of the board. Even though the company was public, Herman Miller’s leadership remained careful to maintain a board that reflected the values of the founders. According to Volkema, board candidates were screened extensively for their fit with the company’s core values and its distinctive, socially oriented mission. Board members also underwent regular performance reviews with the chairman, with anonymous input provided by fellow board members.

By his own admission, Walker struggled in the early days of his two top leadership roles. As Volkema’s COO – his “consigliere,” he said – he saw how the company was run at the top. But the CEO and COO “could not hear each other” during one tense period. When Walker shifted his approach, offering Volkema options on key issues, he found his footing.

As the leader of Herman Miller’s North America operations, Walker faced a major crisis with the 2001 economic crash. After learning how to run the company as operations chief, he had to become a leader. “I was scared,” Walker said of the 2001 meltdown. “I [didn’t] know what I’m supposed to do here. There’s 12,000 people. Everybody’s looking at me.” Walker noted:

I became CEO as the industry and economy began to recover in 2004. We had significantly streamlined the business during the three years from 2001 to 2004. The challenge was how were we going to grow in the future. While we expected the industry to rebound, we believed we needed to find a way to grow beyond the industry. ... We began to develop a strategy based on focused customer segments. To go make this work, we believed some acquisitions would be necessary to complement what we could create via internal development. This appeared to be working as the business went from the low point of \$1.3 billion in 2004 to nearly \$2.0 billion in 2008. And then, the financial crisis hit and we again faced an industry that was falling rapidly. As we had already “leaned the organization” we had to pull different levers to navigate this second significant downturn. In addition, we did not think it would be wise to cut our investment in new products and innovation during this period. So, we maintained our investment in R&D and managed our cost structure via short workweeks, voluntary layoffs, eliminating variable compensation and reducing discretionary spending.

By 2011 the company had begun moving toward the “Shift” strategy – perhaps the biggest transformation in the company’s history.

In terms of its workers, Herman Miller practiced “servant leadership.” In this style of leadership, workers were provided a wide range of opportunities to develop themselves fully – not “votes” in the company’s governance. As one executive noted, “Max De Pree [in *Leadership as an Art*] reminds us that because you have a voice doesn’t mean you have a vote. But everyone does have a voice and that’s clear in every interaction in the culture.”

One of management’s most notable efforts at transparency was a space in the corporate headquarters known as “The Room.” (See **Exhibit 4**.) The four walls of The Room display pictures and slogans, spreadsheets and tables and charts – and self-assigned grades of 1 to 5 for every team in Herman Miller’s North American operations. Open to all employees, The Room offered a comprehensive portrait of the company’s strategy, operations, and future. Visitors were also welcomed into the room, which contained cards for products under development and a timeline for launches.

To integrate operations, Herman Miller used a matrix structure, with employees generally reporting to multiple managers along functional, product, segment (industry) and/or geographic lines. The matrix was designed to foster co-ordination; in practice, managers said, the structure has proved difficult to navigate, blurring accountability and slowing things down. In a conflict-averse culture - known as “West Michigan Nice” - midlevel employees noted that too many decisions were passed back up the organizational ladder. “We are really good at taking ‘big swing’ risks [such as major acquisitions or launching revolutionary product lines],” said one member of the executive leadership team. “But we’re quite hesitant to take smaller, everyday risks deeper in the organization....This might be due to people deeper in the organization not feeling empowered and therefore afraid to fail.”

The Big Shift

After a healthy period of growth, Herman Miller struggled with two major downturns in the 2000s, in the aftermaths of the September 11 terrorist attacks and the 2008 financial meltdown. Net sales more than doubled from 1995 to 2001, from \$1.1 billion to \$2.24 billion. Net earnings advanced from \$4.3 million to \$140 million in the same period. But sales fell 35 percent from 2001 to 2002 and recovered only gradually, passing the \$2 billion mark again in 2008. Just as Herman Miller was poised to match its previous high in sales, the 2008 meltdown occurred. (See **Exhibits 5 and 6.**)

At the time of the Shift Strategy, Herman Miller’s products could be broken down into six major categories:

- Workstations, including systems and desking products, represent 40 percent of the business, with 25 product lines.
- Filing and Storage, a category that includes pedestals, laterals, towers and storage cases, represents 17 percent of the business, with 20 product lines.
- Seating accounts for 30 percent of sales, with 17 product lines.
- Other furniture, including accessories and clinical products, represents about 3 percent, with seven product lines.

The company’s top five products were the Aeron® chairs, the Canvas® office system, the Action Office®, Ethospace® office system, and Everywhere™ conference tables.

Industry Context

Herman Miller operated in a fragmented, low-margin industry, sensitive to the boom-bust cycle of the economy and especially subject to trends in globalization and technology. Industry sales peaked at about \$13.6 billion in 2000 and have fallen about 25 percent since then.

During the “Great Recession,” the prolonged economic downturn that followed the financial meltdown of 2008, the manufacturing sector suffered a decline more than four times than that of the national economy; the furniture sector suffered even higher losses. From December 2007 to June 2013, manufacturing declined 20 percent, compared to an overall decline of 4 percent for the entire U.S. economy. Office furniture suffered close to a 25 percent loss; home furniture suffered even more, with close to a 35 percent decline. (See **Exhibit 7.**)

The company’s competitive posture depended not just on design, product quality and service, and speed of delivery, as it has for decades, but also on its global and internet capabilities. Transportation and communications technologies, as well as global financial markets and open-trade agreements, made it possible for a large number of producers to meet the needs of customers around the world. Consumers could compare prices and styles online. Firms that produce similar products, then, competed increasingly on the basis of price – which creates a “race to the bottom” Such a race would be disastrous to high-end

manufacturers like Herman Miller. “We have a healthy consumer business on the internet, but it is not price driven,” Walker noted. But there were concerns in the company that price considerations would increasingly play a role in the contract business, as well.

Herman Miller aimed to get 50 percent of its revenue from outside the core North American office furniture business – not just from outside North America, but also in health care, education, and consumer products. Globally, the growing demand in China, in particular, offered new opportunities. Other growth regions included India, the Middle East, and Latin America. Herman Miller was limited in Europe by previous agreements on sales territories.

Steelcase led all sales of office furniture in the U.S. market in 2014, with \$3.07 billion in sales, compared to Herman Miller’s (\$1.92 billion), HNI International (\$2.1 billion), Haworth (\$1.41 billion), Kimball (\$1.3 billion), Knoll (\$863 million), and KI Furniture (\$700 million), according to company documents and news reports. These numbers reflected the total sales of these companies; all include non-U.S. sales. The non-U.S. numbers for Haworth, Steelcase and Herman Miller were significant. Kimball and HNI included significant non-furniture business sales.

The whole office furniture industry faced four key challenges - boom-bust cycles that closely followed economic trends, stiff competition both foreign and domestic, slow long-term growth of the underlying market, and unavoidable risk in foreign expansion. While the costs of raw materials had been stable for the past five years, these supplier costs had spiked in the past.

The Third Wave

In 2012, CEO Brian Walker announced an audacious strategy in response to industry trends and dedicated to maintaining Herman Miller as a design and manufacturing leader. The “Shift Strategy,” he said, would be as transformational as two other milestone events in the company’s history – D.J. De Pree’s embrace of modern design in the early 1930s and the move to “systems design” that began with the Action Office in the 1960s.

Shift evolved after a series of meetings, in which the ten members of the executive team distilled their plans into one-page documents. The exercise focused attention on fundamental challenges – and gave everyone on the team a concise overview for everything going on in the company. Soon, the company’s sprawling set of 179 initiatives took form as a set of four new directions for the company.

North America to Global: Geographic Expansion. Herman Miller sought to globalize its manufacturing and sales. The company planned to expand first in Asia, then Europe and the Middle East, and finally in Latin America. Each region posed daunting challenges of understanding new cultures and aligning manufacturing and marketing capacities. As Volkema explained:

The markets here domestically just aren't growing that fast. There's pieces of this business that are shrinking. [Brian] not only has to offset that but then he has to figure out how to create growth opportunity on top of that. So I think he's got a really heightened sensitivity that there's a risk here.

Meeting global demand, said Andy Lock, the president of Herman Miller International, required being close to those markets. Lock noted:

Becoming a lifestyle brand in a place like China or India is not going to look like being a lifestyle brand in North America. Lifestyles are so dramatically different. If you're in China or Hong Kong, an Eames chair pretty much fills the entire apartment. So, it requires a different approach.

From Products to Solutions: Avoiding Commoditization. To maintain its viability as a high-end provider, Herman Miller sought to tailor specific solutions to the needs of businesses and consumers. To avoid lowering prices – and margins – the company needed to offer distinctive products, customized for the customer. “We’ll always have great products,” said Curt Pullen, president of Herman Miller North America, “but it’s leading the customer to our solution, not leading with the product” that will make Herman Miller thrive.

The solutions approach forced the company to understand its consumers better. Selling solutions meant less about pushing products than developing long-term working relationships with customers and clients. John Amrhein, vice president of sales excellence, noted:

The way that our industry is currently selling doesn’t really serve our customers. Customers think that they want things increasingly at a good price and standard specifications. But we actually believe that we’ve got more to offer. At the end of the day, we’re aspiring to create an overall, better experience and solutions. The only way we can help them understand is if we help ourselves better understand what they need from us.

As a high-end producer, Herman Miller depended more than other furniture makers on new business construction in high-growth industries. A relationship with a large firm could lead to a big sale. For example in 2013, the media reported that Herman Miller had signed a deal with ExxonMobil worth millions to furnish a new 385-acre campus outside Houston.²

Office to Everywhere: Expanding Product Lines. In the next generation, Herman Miller aimed to expand beyond its current reliance on the traditional office market. Shifts in the nature of work – from centralized to dispersed, from hierarchical to team-based, from standardized to flexible, from office-based to on-the-road – required new products. The company also planned to offer products for the home and healthcare industry.

Herman Miller already had a strong base for consumer sales, both from its classic chairs and other furniture and its business market. Pullen said:

We do 300,000 work stations and hundreds of thousands of chairs a year. Every one of those is an opportunity to build another relationship ... for the rest of that person’s life at home or whatever else. I want to get to know who is actually sitting there using it, not stopping at the corporate procurement guys. We’re trying to remind them that we can take care of you at other places too.

Industry Brand to Industry plus Consumer: Moving from Organizations to Individuals. Herman Miller was also seeking to expand its connection to consumers for the first time in decades. Company officials noted that the consumer strategy was important not just for additional revenue potential, but also to enhance the company’s brand and design reputation. With major contract deals, users “don’t know it’s Herman Miller,” said Curt Pullen. “They don’t know the thought that’s gone into the design of the space, based on our understanding of the character and culture of the organization, the purpose of that place, the work they do, how they do it.”

Company officials also noted that customers were demanding a wide range of buying opportunities. While some customers preferred online buying, customers seeking to buy complete systems – and to consider new products – preferred coming into stores to inspect the merchandise for themselves.

Making Shift Work

To make the Shift Strategy work, Herman Miller needed to expand its capacity in all operations. Without acquisitions, the company believed, expansion could take a decade or more. So in 2012 and 2013, Herman Miller announced the acquisition of POSH, a Hong Kong-based furniture manufacturer; Maharam, a century-old, family-owned, high-end fabric designer and maker; and Design Within Reach (DWR), a high-end U.S. furniture retailer.

In these and previous acquisitions, Herman Miller added firms that shared its values toward workers, a commitment to the environment, and a culture of creativity and innovation. These acquisitions came after a period of partnerships, in which Herman Miller either purchased products from these companies or developed marketing alliances to its dealers and retailers. (See **Exhibit 8**.)

Even with careful targeting, integrating new units into the Zeeland company sometimes proved difficult. Herman Miller struggled to find the “sweet spot” between its strong culture and the acquisition’s longtime ways of doing business. Typically, the company offered the acquisition a period of autonomy before making changes in leadership, HR processes and benefits, data systems, reporting requirements, and interactions with the rest of the company.

While Herman Miller had endeavored to keep acquired companies autonomous, that goal had sometimes proved difficult. Given Herman Miller’s strong culture and belief in participative management, employees often took individual initiative to reach out to the acquired company to help them adapt to Herman Miller’s way of doing things. Herman Miller people referred to this as “loving them to death.” Walker appointed executives to live at Posh, Maharam and DWR and manage the flow of influence and input from Herman Miller. “While still not perfect, we have seen marked improvement in our ability to get the most out of acquisitions,” Walker said.

POSH Office Systems (2012)

In early 2012, Herman Miller bought POSH Office Systems, a Hong Kong-based designer, manufacturer and distributor of office furniture systems, for \$50 million. In 2011, POSH had \$50 million in sales and employed 1,200 people. The acquisition dramatically expanded Herman Miller’s presence in Asia. POSH had 20 franchise dealers as well as a manufacturing operation in Dongguan.

In dollars, the POSH was not large. But the POSH acquisition represented a new way of doing things. “Before, everything was developed here in the U.S. and then migrated overseas,” said Ray Muscat, SVP for manufacturing research and new product operations.

With the purchase, Herman Miller owned two major manufacturing facilities in China. (The first plant, in Ningbo, was established in 2006.) When other major manufacturers offshored their operations, they aimed to cut manufacturing costs. But Herman Miller said their main goal was to locate closer to growing markets.

Differences in manufacturing culture represented a challenge. Herman Miller’s approach to manufacturing differed dramatically from companies in China and other developing countries. Chinese manufacturing, Andy Lock said, followed a hierarchical, deferential approach that dates back centuries. Even when given the opportunity to provide input, many Chinese workers defer to their superiors. Lock noted:

You're [working with] a very traditional Chinese company. If you look for an engineering drawing, you won't find one. It was all based on tribal knowledge. So the masters, as they call them in the factory, know how to build a product. That doesn't mean you can find that written down anywhere. So, you have to slowly but surely, in fact, form an infrastructure that wasn't

there before and then worry about cost ... which damages your margins. Do I think it's worth it? Yes, I do. Because China, you can't not be there. It's just that simple.

Chinese manufacturers also had earned a reputation for not providing the same health and safety protections as Western manufacturers. Scandals involving Nike, Apple, and Samsung manufacturers had drawn attention to long hours, unsanitary working conditions, and mistreatment of workers typical in Chinese factories.

Maharam (2013)

In the spring of 2013 after five years of on-and-off discussions, Herman Miller paid \$156 million in cash for Maharam, the world's leading industrial textile designer. Maharam made textiles for commercial, healthcare, and residential interiors. The company had revenues of \$105 million in 2012.

Louis Maharam founded the company that bears his name in 1902. In 2014 under the control of its fourth generation, the company employed 250 people. Maharam was a traditional industrial fabric firm until the current generation turned it into a cutting-edge fashion company. Maharam designers included such notables as Hella Jongerius, Tord Boontje, and Paul Smith. The company also owned the classic designs of Verner Panton, Gio Ponti, and Alexander Girard. The company's textiles belonged to the permanent collections of the Museum of Modern Art in New York, the Art Institute of Chicago, and the Stedelijk Museum in Amsterdam.

Having a fabrics unit had forced Herman Miller to modernize operations in the production process. Herman Miller's process for acquiring material had not been overhauled in a generation, said Nancy Houghtaling, Herman Miller's general manager for the customer experience. She noted:

Our antiquated process for customer's own material was probably put in place in the 1980s. And nobody's really reviewed that. Nobody really wanted to own that animal. Now with the acquisition of Maharam it's kind of like, 'Oh, we got to do something different there if we want to promote this as an offering.'

Maharam officials said they focus on design in their work. To stay fresh and creative, they continually explored the arts and the patterns found in modern society. Sometimes their design inspirations lead directly to fabrics that can be used commercially; sometimes they don't. It was hoped that as Maharam blended into Herman Miller's product development, designers would do more of their creative brainstorming with those products in mind.

Design Within Reach (2013)

When Herman Miller acquired DWR, in a deal worth \$154 million in cash, CEO Walker noted:

[The DWR acquisition] probably has the most likelihood to change the culture of Herman Miller longer term... It affects every other aspect of the operation. I mean you go backwards from the sale on the consumer level, and it affects product development. It affects variety of choice. It affects interface. It affects your environmental, ... So it really ripples back.

Founded in 1998 by Rob Forbes as an online store, newsletter, and design catalogue, DWR began opening showrooms in 2002. DWR broke the industry's mold by offering high-end design within days rather than weeks or months. "We played on the desire for immediate gratification," Forbes said. DWR's virtual and real displays offered a "nationwide introductory course in modernist design," *Fast Company* said, making the company "educators and taste makers."³

Over the years, DWR had experienced extreme highs and lows. The company went public in 2004, valued at \$211 million on opening day—70 times total earnings the year before. Management increased the number of physical stores to 63 by 2006, but the expansion was too much, too fast. “We got cocky, silly, fat,” one top official later admitted. DWR also came under legal attack for stealing other companies’ designs. Near bankruptcy, the firm delisted in 2009 and the company was sold to hedge fund Glenhill Capital Management for \$15 million. Despite poor management, DWR still employed a strong team committed to high-end design, strong customer service, and cutting-edge technology.

John Edelman and John McPhee took over in 2010. “John and John,” as they are known, worked together in retail for two decades—first with Sam and Libby Shoes, then with Edelman Leather. Immediately, they overhauled DWR’s operations and moved headquarters from San Francisco to Stamford, Connecticut. Quickly, they closed 30 stores. They developed a new retail strategy and increased sales from \$113 million in 2010 to \$218 million in 2013.

Before and after DWR’s tumble, DWR developed a strong relationship with Herman Miller. DWR, in fact, sold more of Herman Miller furniture than any other company’s. Herman Miller brought in John and John not just as managers but as equity partners. DWR was not an “add on” but the central piece of a new consumer business unit. With the deal, Herman Miller got a valuable foothold in the retail home furnishings market. DWR, for its part, got a direct line to Herman Miller and an enhanced capacity to respond to consumer demands and issues right away. Herman Miller hoped to emulate DWR’s speed within the fast-paced retail sector. “That business,” CEO Walker said of DWR, “moves [in] minutes, hours, and days. We move in weeks, months, and years.”

Challenges of the Shift Strategy

Herman Miller’s expansion into China, with the turnover of the POSH manufacturing plant in Hong Kong, illustrated the promise and sensitivity of the new union.

To mark the beginning of its new relationship, Herman Miller officials laid down a red carpet in front of the POSH plant in Dongguan. Huge posters flanked the carpet at the front of the building. Herman Miller announced that it would give each worker severance pay, covering their years of service with the company. Then they invited the workers to rejoin the company by signing the posters. As workers walked up the red carpet, they were greeted by Andy Lock, president of Herman Miller International, who asked each of them individually to join the company. Every single worker did so. Lock said:

They were symbolically signing up to be with us. We paid off any historic debt due to their length of service, they got their termination pay, and then we said, ‘Now, come join us.’ And every single one of them did.

Soon after taking over, Herman Miller instituted safety rules that exceed industry standards in China. “Everybody else [other companies] isn’t bothering with health and safety,” Lock said. The company also began installing the HMPS into the factory operations. The system, said Ray Muscat, simplified the process of integrating foreign factories into Herman Miller’s production process.

Even if Herman Miller could afford to offer POSH workers better compensation and working conditions than they are accustomed to getting, Lock said, the company’s gestures and policies could get lost in translation. “I have no idea what they thought we were doing,” he said. “We cannot speak to one another but we can smile, we can shake hands, [and] send signals that you intend this to be different.”

Areas of Concern

No matter how well the company plans its Shift strategy, CEO Walker said, “acquisitions are not for the faint at heart.” The challenge exists at two levels—operations and culture. “It’s tricky,” Walker noted. “We’ve still got a lot of integration work to do around acquisitions.” All three acquisitions posed important challenges to Herman Miller. Specifically:

Customer Focus: All of Herman Miller’s acquisitions, said top officials, would thrive by placing customers at the center of all policies and decisions. Every aspect of Herman Miller’s operations—product development, sales, distribution—needed to work backwards from the customer’s experience. The greatest challenge might be at POSH, but, said Ray Muscat, “all of those principles travel very easily.”

Integration of the acquisitions could open new possibilities in serving customers, as Ben Watson, executive creative director, explained:

Maharam is in the middle of a launch of a brand new category in floor covering, area rugs – a lot of great designs, a lot of interesting energy. DWR raises its hand and says, "Actually area rugs is an interesting category to us." How do we get together to say, "Wow, actually those products make a lot of sense to our customers; we don't need to go find them somewhere else." ... So what should that process be? It's a win for everyone because the Maharam team says, "Hey, we're going to structure this in a way that it doesn't fight with our other distribution channels but reinforces and supports it." DWR looks at it and says, "We want to invest our floor space in this range of product because we're not just buying it as a standard retailer like everybody else on the street, but we're going to be exclusive. We're going to be able to generate a complete stacked margin, and thus it's margin rich, and I'm going to want to invest in it and get my teams going after it." ... As they start to do that, they're already uncovering other places where there could be smart places to bring value to each other.

The trick, Watson noted, was to avoid falling into old patterns. DWR, for example, needed to offer consumer insights that help the design process rather than acting strictly as a retailer. Herman Miller and its new entities needed to think and act deliberately on culture. “Leadership influences every interaction. ... We talk about human-centered design, and our culture as being very much human-centered. You put the person first. That attitude becomes clear to new members of the family immediately.”

Herman Miller faced other concerns with traditional customers. The purchase of DWR offered greater customer insights, but it could also create channel conflict. Long-standing dealers and distributors had raised concerns about competing with Herman Miller while also selling their products. To offer a full line of products, DWR had to stock authentic modern designs from other manufacturers. DWR, then, needed to strike a careful balance, both capitalizing on special role within Herman Miller but also providing customers the best and broadest product line.

Worker Culture: Herman Miller was considering whether its signature worker policies—like stock ownership, same-sex benefits, and paid time off for community service—should be extended to new affiliates like DWR and Maharam. Workers in China likely would be managed and compensated differently than workers in the U.S., England, or even India. Walker warned against extending the company’s labor and diversity commitments too far too soon. “We only have so many resources and we haven't really completely dealt with diversity in the U.S.,” he said. Herman Miller, he noted, needed to “be careful with diverting efforts to trying to figure out Chinese diversity.”

Meanwhile, the company was working to recover human capital and build stable workforce demographics lost during the recession. Walker said the company has “recruited more new talent in the last five years than [any other time] in my 25 years.” VP for Talent Spinelli was overseeing a broad effort to transform the human resources—everything from recruitment to talent development to career paths. She noted:

It's very hard to sustain a good company. Part of what's critical to sustaining a good company is building good leaders. About ten or fifteen years ago, they cut the company essentially in half. They'd also had taken out [almost] all of leadership and development. We have better than normal retention, but when you look at our 30 year olds, that's where we're vulnerable and that's [where] the bench strength needs to be, so building our next generation of significant leaders keeps me up [at night] and the other thing that keeps me up is eventually Brian won't want to do this anymore and so where's that next CEO coming from?

Using a 3-by-3 grid, which cross-classifies workers' current performance and longer-term potential (outstanding, satisfactory, less than satisfactory), Spinelli was working to recruit and develop the next generation of company leadership. Her ultimate goal, she said, was to develop leaders who some day rise to the position of CEO.

Company Brand and Image: When Ben Watson was appointed executive creative director, he began to develop an across-the-board strategy for the design not just of products, but also the company's presence online, in publications, in stores, and in the workplace. How soon should the Herman Miller brand be brought into new entities? Watson offered an example:

We're going to want to change the chairs in the Maharam showroom so that they're Herman Miller chairs, with a Maharam fabric on them, of course. Every desk in every Maharam facility is the exact same Italian desk. Some day they will transition to a super-handsome Herman Miller desk, but to make that change on Day One would be the wrong cadence step.

The greater challenge might be increasing brand awareness beyond particular classic pieces like the Eames chair. DWR offered a new avenue to promote the brand, but expanding the company's activities globally, with a bigger catalogue of products, remained a challenge.

Decision-making Authority: In the early years in the Herman Miller organization, the new entities were being treated like new "verticals," markets like education, health care, consumer, small business, North America contract, and international, where the critical processes of the company were carried out.

On the one hand, Walker said, the new units needed to "be successful at what they've actually set out to go do." Herman Miller, then, needed to trust Maharam to design textiles, POSH to manufacture and sell to customers in China and Asia, and DWR to serve the needs of consumers. On the other hand, the company needed to coordinate overall strategy from early design work to point of sale and customer support. Working out the relationships, Walker and others said, would take time.

Understanding Talent and Signals: In an industry dominated by family-owned businesses, "assessing the depth of the bench of the talent" in newly acquired companies was critical. In those firms, the family leader established relationships and routines that might not carry over to the new parent company. The challenge was greater at Herman Miller, which gives its units and workers high levels of autonomy, as Walker noted:

Our culture has never been command-and-control. A lot of smaller companies, when ... you pull out the founders, often what you find is the people below were fantastic operating in an environment where there was somebody who set the agenda and kind of put the parameters around it. So knowing the level of talent below the family, is a big deal. And, it is important to be realistic about your ability to either retain (including family), supplement or replace the talent. This is a difficult area to get right. We are getting better each time, making more accurate assessments upfront and, changes sooner when needed.

A trickier problem concerned what kinds of signals and systems people at Herman Miller and its new entities used to manage operations. In the past, the company had attempted to develop common accounting and other systems. Walker noted:

Most people say go in and make all your changes right away. Our learning of these small businesses [is] try to change as few things as you can in the first 24 months, including accounting things that force them to look at their numbers in a completely different way than they're used to.

Standardizing operations only works, Walker said, when both partners understand each other's routines, signals, operations, and strategies. That took time.

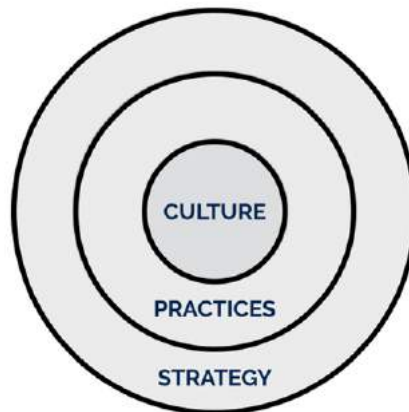
Incentive Structures: In most acquisitions, the company's owners worked for Herman Miller for a transitional period or two or three years. Walker noted:

We have learned to be careful with how we create these interim structures. Conventional structures like earn-outs that meet short-term goals can result in sub-optimal long-term investments. Or can confuse lines of authority when the seller is not involved in day-to-day operations, but retains an incentive based on performance. A variety of arrangements can work, but they need to be congruent in terms of duration, risk and authority. In the case of DWR, the leaders agreed to roll their previous investment into a minority stake in the newly created Herman Miller consumer business. There is no set time-line by which they have to sell and they have responsibility for both DWR and Herman Miller's consumer operations.

Shifting Forward

Herman Miller held no illusions that the Shift strategy will come easily. Senior leaders acknowledged that the strategy puts a premium on capabilities that have not historically prevailed at the company. It also required knitting together an increasingly diverse, complex, and far-flung network of subunits, many of which are located far from the Zeeland Mother Ship. "We're in a wonderful position of moving forward," said Andy Lock. "It also has some risks. We will undoubtedly make all sorts of mistakes. But as long as you don't do it too often, Herman Miller has this great ability of letting you fail a little and then try to figure out how to help you to win next time."

Before Brian Walker became CEO of Herman Miller, he asked the outgoing CEO, Mike Volkema, for advice. Volkema drew three concentric circles on a sheet of paper.



The company's "true values," Volkema told him, were represented by the center circle "This culture is so strong and it's so supported at a grassroots level," Volkema said, "that if you try to manipulate or change a true value, there will be an uprising." The two outer circles represented the terms of change in the company. The middle circle represented policies and practices based on enduring values. Such practices, while strong, sometimes required change.

To preserve the company's core, Volkema told Walker, he needed to make sure that Herman Miller held fast to core values, made cultural change carefully, then devised a strategy to guide the company for about 10 years. "Brian, you can take on a few of those cultural values, but if you start to take on too many, you'll tear the fabric rather than stretch it," Volkema remembered telling Walker. "It'll be your obligation to stretch it a bit, but you can't tear it."

As Herman Miller moved to carry out the Shift Strategy, Brian Walker's most important job might be to understand what belongs in each of the three circles and how to preserve alignment and congruence among them.

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Endnotes

¹ Case writer and editor, Yale School of Management. Case supervision by James Baron, William S. Beinecke Professor of Management, Yale School of Management; interviews conducted jointly by Baron and Euchner. Michael Beer and Russell Eisenstat of the Center for Higher Ambition Leadership, a partner in this work, provided helpful comments. Clark Malcolm of Herman Miller offered extraordinary help in coordinating our site visit and interviews. Jaan Elias, Director of Case Research at the Yale School of Management, also provided important editorial guidance.

² "Herman Miller signs contract with ExxonMobil" WZZM13 News, October 15, 2012, accessed in December 2014 at: <http://hollandzeeland.wzzm13.com/news/news/74251-herman-miller-signs-contract-exxonmobil>.

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