

THE CHANGE CHALLENGE.....A Newsletter About Change

October 1, 2012



Welcome to the Change Challenge Newsletter

Welcome to the October issue of *The Change Challenge*. This month's feature article titled "**Look Around the World**" suggests the governance choices required today may lie outside the two extremes we hear in election rhetoric. In particular, the lack of collaboration may be blinding us to advances made by other countries in key areas.

The *Results Through Relationships* article titled "**Jigsaw Puzzle**" explains that our individual aspirations are pieces of the world's puzzle. We each have a unique piece of the puzzle but cannot figure it out alone. The *Personal Change* article titled "**The Power of Collaboration**" asks if you are tapping the plethora of connections that you already have to build your success.

Your feedback and recommendations to improve this e-letter are always appreciated via return email or the Change Blog at www.dickstieglitz.com.

Dick Stieglitz

Issue: 51



DICK STIEGLITZ, PhD
Business Consultant, Author
and Keynote Speaker

This Month's Articles

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Buying or selling a

Feature Article

LOOK AROUND THE WORLD

Politics have never been easy. George Washington, Alexander Hamilton, Thomas Jefferson, and John Quincy Adams didn't like each other very much and were bitter rivals at times. Yet they collaborated to meld economic and social differences into a form of government based on clear principles. Today, we're approaching the end of a presidential campaign where special interest groups and the two parties have launched a shocking barrage of expensive and misleading ad campaigns and rejected the notion of collaboration. Each side claims to hold the capital-T truth, blames the other for the country's issues, depicts them as self-serving and misguided, and refuses to change.

Capitalist Democracy. In a capitalist democracy like ours, companies and individuals are expected to advance society by pursuing their self-interests within limits of the law. But in public life, we expect leaders to set aside their self-interests and exercise judgment to promote the nation's best interests. That means, on occasion, they must ignore the loud voice of special interest minorities. Unfortunately, most politicians take the easier path of being on the popular side - especially with their party - because their top priority is getting reelected. The criteria in congress are not whether a bill is good, but whether it is popular; not whether it will work, but whether it will produce votes.

Least Productive Congress in History. According to a review by *USA Today*, 2012 is projected to be the least productive year ever for congress. Of nearly 4,000 bills that were proposed, only 61 have become law. The previous low point was the 2011 session when only 90 bills were passed. The only other year that Congress failed to pass at least 125 bills was 1995 when Clinton and Gingrich pushed the federal government into political gridlock. The lame duck session following November's election will challenge these lawmakers to face several issues that they created themselves: sequestration, expiration of the Bush tax cuts, and the astronomical national debt.

It Would Be Funny, If It Weren't So Sad. Humorist Will Rogers once joked: "*Lord, the money we spend on government - and it ain't one bit better than the government we got for one-third the money 20 years ago.*" The government hasn't changed much since that 1930s quip. In 1991 the federal government spent \$1.3 trillion and in 2011 it spent \$3.5 trillion - the 2011 deficit was \$1.4 trillion. Few people would say today's government is better than in 1991. Such anti-government one-liners make the work of career civil servants tough; but to reformers who would like the government to operate like an efficient business, they are painfully true. The sad part is that members of congress are so close to the process that they don't see how much damage their inflammatory rhetoric and lack of action inflict on each other, on our economy, and on our worldwide image.

To Change or Not to Change. The U.S. faces a profound economic transition. The Great Recession could be a just a short-term setback and everything might return to normal in a few more years. Or we could be in the first stage of a financial crash like Greece is experiencing. The probability of a crash is small, but it must be considered because it is far from zero. The necessary change probably must be:

- (1) Government promises that are sustainable as life spans exceed 80 years
 - (2) Tax and spending policies that balance revenue and expenditures
 - (3) An economy that produces more than it consumes (each year since 1985 the U.S. consumed over \$100 billion more in imports than it produced in exports)
- Or all three. More regulations won't fix the problem when existing regulations fail to be properly enforced - the government must fundamentally change its relationship with businesses and citizens.

Big Government Isn't Necessarily the Problem. Bad government is the problem. 236 years ago brilliant men created a form of governance that was better than anything previous. But today's congress has become self-absorbed and oblivious to advances made in other countries. Partisanship causes them to ignore good ideas. Look around the world at what other countries are doing:

- Finland is #1 for education, while the U.S. is 14th and declining
- Germany's highways are among the best while ours are falling apart
- Japan's people live 82.6 years on average, while we live 78.2 years
- Japan's people pay \$2,293/year for health care, while we pay \$6,096
- Norway's unemployment is 3.0%, while U.S. unemployment is 8.3%
- China's economy is growing four times faster than the U.S. economy - even during the worldwide recession
- Switzerland has a trade balance equal to +13.4% of its GDP, while the U.S. is negative 3.2%
- The U.S., once #1 in the world, has fallen to 9th in income per citizen

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Richard G. Stieglitz, PhD
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The recession, layoffs, budget shortfalls, new technologies, acquisitions, and out-sourcings have produced a world of constant change. Today, ideas travel at the

Maybe Congress should put its ego and ideologies aside, and learn from the best in the world.

Bipartisan Collaboration. The nation reaches an historical crossroad on November 6th: will we face our fiscal challenges or continue the political dysfunction that undermines growth? The decisions that congress and the next President will make - or not make - will potentially reshape the government; restructure the tax system; and alter health care, national security, food safety, Social Security, Medicare, Medicaid and other key programs. The most effective governance choices are neither of the two extremes we hear about, and progress will require collaboration. There are no issues where all the angels are lined up on one side. Republicans and Democrats each must slaughter their sacred cows: Republicans by increasing taxes and Democrats by curtailing entitlement programs - and you must too. If a solution is truly bipartisan, you will like parts of it and dislike other parts - no one will feel that it is perfect. Are you ready to accept such solutions?

Results Through Relationships **JIGSAW PUZZLE**

As a boy, I attended a church service where everyone was given a numbered puzzle piece as they came through the door. No one could guess what the puzzle was from the piece they were given. Friends and families shared their pieces but couldn't figure it out. After a sermon about working together, the pastor invited us to insert our piece into a numbered spot in the four-foot by six-foot puzzle frame at the front of the church. In minutes, an inspirational picture emerged showing the diverse people of the world embracing each other.

Fifty years later, the sermon grows in relevance as we consider the parallel between the jigsaw puzzle and today's global economy. Our individual aspirations are pieces of the world's puzzle - we each have a unique piece but can't figure it out alone. We can hide our piece, throw it away, or share it. By cooperating to assemble the puzzle, we can build a world that works for everyone. To assemble the puzzle, trust others, share your piece with them, and accept unusual pieces that don't seem to fit with yours - they fit elsewhere in the puzzle.

Surprising things happen when we:

- (1) Seek to understand others before insisting that we be understood
- (2) Express our feelings and needs clearly
- (3) Are honest about our aspirations and our fears.

When we share ourselves honestly and openly, inaccurate perceptions that we may have about others melt away. Let's collaborate to put the world's puzzle together more effectively.

Personal Change **THE POWER OF COLLABORATION**

While driving to a meeting, I heard the host of the radio talk show say that his son was struggling with high school math. In particular, the problem was quadratic equations and he asked if a listener could help. I planned to call when I parked the car, but he received two hundred responses in ten minutes and the radio station's telephone lines were swamped. That's collaboration in a global economy - just ask the Universe!

You may not be in a position where you can broadcast a request for help over radio or TV, but are you tapping the plethora of connections that you already have? You probably research things on the Internet, and use email and a cell phone to collaborate with your existing network of people. You may participate in social networks like as Twitter, You Tube, or Linked-In. But when you hear yourself saying "*I think I know the answer*" or "*I don't want to appear weak by asking for help*" you may be throwing unnecessary obstacles into the path to your success.

The world is tightly connected, so as your network expands the world may actually shrink. It's more difficult today to avoid people, harder to ignore what they are doing, and nearly impossible to deceive them for long periods. When you take an action in one relationship (good or bad), it's likely that your other relationship partners will quickly know what you have done. Build your relationship supply chain by collaborating with like-minded people in all areas of your personal and professional life. Use every

speed of light. You can communicate with anyone, anywhere, at any time, on any subject. To stay on top, you must do more than react. You must anticipate, embrace, and use change to your advantage

THAT'S WHAT THIS BOOK IS ALL ABOUT!

QUICKLINKS

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technology, strategy and opportunity you can think of to collaborate.

Friends & Colleagues,

If your organization and its stakeholders would benefit from more effective collaboration, contact me to discuss new techniques. If you found this e-letter to be interesting and useful, send it to a friend. If not, let me know at dick@dragonsofchange.com.

Until next month,

DICK