



ADVANCED MANAGEMENT PROGRAM



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HARVARD | BUSINESS | SCHOOL

Executive Education

PARTICIPANT INTERVIEW

WHAT GOES AROUND, COMES AROUND

AT L.L.BEAN, A SINGLE DECISION KEEPS PAYING OFF YEAR AFTER YEAR

When Chris McCormick became president and CEO of L.L.Bean in the spring of 2001, he was the first nonfamily member to head the family-owned company. And, he was embarking on the first nonmarketing position of his career.

McCormick started out as a media buyer for Garden Way, Inc., and was later promoted to marketing manager. He left in 1983 to join L.L.Bean as the assistant advertising manager, eventually becoming the vice president of advertising and direct marketing in 1991 and the chief marketing officer in 2000. In the spring of 2000, then-President and CEO Leon A. Gorman felt it was time for McCormick to gain more intensive exposure to other management disciplines. He decided to send McCormick to Harvard Business School's Advanced Management Program (AMP).

Just one year later, Gorman—the grandson of company founder, Leon Leonwood Bean—was appointed chairman of the board. He named McCormick to succeed him as president and CEO. In that challenging economic climate, McCormick identified “brand,” “location,” and “high principles” as the company’s most valued assets. “The hard part,” he was quoted as saying, “will be figuring out how to leverage those assets by attracting and developing new customers to grow the business.”

Bolstered by the acumen he acquired as an AMP participant, McCormick has done just that. He continues to use the tools he took away from the program, and the momentum he brought back with him continues to recharge itself each time another top L.L.Bean executive completes the program.

ALL THOSE MISSED MEETINGS

Infusing the company with fresh energy and ideas was precisely the payback Gorman envisioned when he asked McCormick to enroll in AMP. McCormick agreed to attend, but it wasn't until he took a closer look that he realized the extent of his commitment: It would be a clean break from the company during the program. Today, he laughs at his first reaction of worry about all the meetings he would miss, wondering if he would be out of sight and out of mind.

Once immersed in AMP, however, McCormick stopped worrying. He was too busy being stimulated by the coursework, faculty, and participants of all backgrounds from all over the world. The residential learning environment, he says, was especially valuable: “Within our work group, there was a lot of good give-and-take. We all realized that we were there to learn from one another, so we kept each other on our toes.”

The interactive approach of AMP was very different from the lecture format McCormick recalled from his college days. Active discussions with peers and professors led to new perspectives, and with those insights came a new appreciation for diversity. He describes the professors' facilitation skills as “masterful,” as was their ability to integrate subject matter. “For example,” he notes, “the program allowed me to see the impact of financial issues on social economics, which cross-pollinated with other courses as well.”



CHRIS MCCORMICK
[PRESIDENT AND CEO],
L.L.BEAN, U.S.



McCormick often engaged in one-on-one discussions with his finance professor on how to apply public-company policy (the professor's expertise) to privately held companies (his expertise). Social economics, with its emphasis on globally responsible decision making, also resonated with him because of L.L.Bean's long-standing commitment to stakeholder relations. AMP made a strong personal impact on him as well. "It's inspirational to have a professor or guest speaker talk about leadership in ways that apply to everyday life," he explains. "Everyone's on a treadmill. It's good to pause and think about what you have accomplished in your personal and family life, and to ask yourself what you want to give back to the community."

AMP FOSTERS MORE CHANGE AGENTS

Reenergized, McCormick returned to L.L.Bean full of ideas. During meetings, he would mentally step back to see the bigger picture, a phenomenon he calls an "out-of-body experience." From there, he could determine the most effective way to introduce new ideas, which resulted in cultural shifts such as improved dialogue, greater external awareness, and more risk taking. Significant structural and procedural change also occurred after McCormick's return. This started with the company's commitment to enroll other top executives in AMP because, as he explains, "We needed more change agents." Nearly every year since 2001, L.L.Bean's talent assessment process hand picks an executive with the highest leadership potential to attend the program. This process, originally instituted on McCormick's recommendation, is crucial to the company's succession planning strategy.

Leon Gorman's original vision in sending McCormick to AMP has had an exponential effect as each succeeding executive returns, excited and energized. That energy serves to recharge previous graduates as they compare notes and draw on common learning. "We have little buzzwords we share," says McCormick. "And in our meetings, we actually cite cases in the context of making company decisions. Once, we actually had HBS send us an updated case for past AMP members to read." Most significant, however, is that L.L.Bean now has a critical mass of change agents whose energy and creativity filter down to key people in their organizations. "A lot of synergy gets created when these individuals go forth and teach," McCormick notes. "And the more of those seeds I can spread, the more effective I can be as a leader."

ABOUT L.L.BEAN

L.L.Bean, based in Freeport, Maine, is a world leader in mail-order and retail sales of apparel for men, women, and children; outdoor gear; luggage and travel items; and products for the home and outdoor living. Leon Leonwood Bean founded the company in 1912 to sell his original Maine Hunting Shoe™. Today, the company distributes mail-order catalogs throughout the U.S. and in over 140 countries. It also operates six retail stores, more than a dozen factory stores from Maine to Virginia, and an online store at www.llbean.com. However, the bulk of its more than \$1.4 billion in annual sales is from its mail-order business.