

# HONEYMOON

**F**ive months. That's how long it took for Jude Cousins' entrepreneurial passion and excitement to fade into anxiety and panic. While it was true that he had never started a company before and didn't know exactly what to expect, five months just seemed like too short of a honeymoon to Jude.

To be fair, Cousins Consulting wasn't really a company. Just a consulting practice operating out of a spare bedroom in Jude's home. No employees. No politics. Just Jude, his passion, and three clients. Two of which, unfortunately, were already in jeopardy.

# HATCH

**F**or the seven years prior to starting his consulting firm, Jude had received nothing but encouragement and recognition in his career, which only served to magnify his frustration as an entrepreneur.

After a brief and unsatisfying postcollege stint in journalism, Jude took a job in the marketing department at Hatch Technology, a fast-growing company that developed financial software for consumers and small businesses. Beginning his career at Hatch as a copy editor, Jude gradually worked his way through every department in the marketing division, with detours into product management and operations.

As a result of his work ethic, humility, and general curiosity about whatever he was doing—not to mention the rapid growth of the company—promotions came frequently for Jude. At the age of twenty-eight, four years after joining Hatch, he was named director of corporate

communication, reporting directly to the company's vice president of marketing.

Jude's career trajectory, though impressive on its own merit, was all the more amazing given his relative lack of passion for technology. Not particularly inspired by the character of enticing people to buy software, he knew that the secret to his success had everything to do with his insatiable passion for learning. As Jude liked to tell his friends, he felt like he was being paid to go to business school.

And being just one level removed from the senior executive team meant Jude was constantly exposed to challenges related to every aspect of running a company, from strategy to structure to management. All of which fascinated him.

Still, he was not content to have his education limited to one company. So Jude began volunteering to sit on a variety of advisory boards for small but growing companies in the area, all of whom were happy to have someone of his talent providing advice, especially when that advice was free of charge.

Jude was eagerly soaking up everything he could—and forming strong opinions about how he would run a company, which he had come to believe was the ultimate goal of his professional life. Anyone who knew Jude assumed he would one day be a CEO.

# SMOOTH SAILING

On a personal level, Jude's life certainly seemed to be heading in the right direction.

He and his wife of three years, Theresa, were hoping to start a family as soon as possible. They had recently bought their first home, a small but attractive rancher in Orinda, just over the hills from the San Francisco Bay. Though not wealthy, they were financially more secure than ever, and more important, had amassed a close-knit collection of friends in the area. They were involved in their local church, and were quick to help friends, neighbors, and family members who needed a hand.

From a day-to-day professional standpoint, Jude had everything he needed. Between his responsibilities at Hatch and the variety of companies he was being exposed to as an adviser, he had no complaints. His work was interesting enough, and his workload, though substantial, was manageable. Jude certainly had no intention of changing his career.

Until the merger.

# BATCH

**T**hough it had been announced to the press as a “merger of equals,” anyone with a sense of the market knew that Hatch Technology was on the losing end of the acquisition by its slightly larger competitor, Bell Financial Systems. Carter Bell, the company’s brash CEO, had a much higher profile in the industry and wasn’t about to lose control of his corporation in a merger.

But because he didn’t want to rock the new boat too soon after the deal was closed, he chose to build something of a Noah’s Ark management team: two heads of sales, two heads of marketing, and so on. As a result, the seeds of discontent were planted within the new organization, which would cleverly be called “Batch Systems.” Employees would later joke that the name combination should have been reversed and called—*Hell*.

Fortunately, market analysts seemed to like the merger more than Batch employees did. So Jude and his colleagues gladly watched the stock price rise with every

painful passing week after the merger papers had been signed.

As for Jude, his duties and title were divvied up between him and his counterpart from Bell, so he took on a slightly diminished role as director of advertising. After overcoming his initial disappointment in the change in title and responsibility, Jude accepted his new situation. In fact, he began to like the arrangement, which gave him more time for his wife, his golf, and his advisory boards.

*Maybe this is just what the doctor ordered,* Jude tried to convince himself.

# POLITICS

With every week that passed, Jude found it harder and harder to get things done. Meetings were longer and more frequent than ever, and required increasingly more political dexterity. Back-channel deal making seemed to be taking over as the primary means of communication and decision making, with finger-pointing running a close second.

Jude was honest enough to admit that Hatch hadn't been a perfect company before the merger; without looking too hard, departmental skirmishes and divisional competition could certainly be found. But since the merger, infighting had risen to a new level entirely. Attention had shifted drastically inward, away from issues like customers and competitors and toward battles over budgets, titles, and responsibility for mistakes.

And while it could be expected that these feuds might develop between employees of the two former companies, new levels of intercompany conflict were rising in other areas too. There was the headquarters versus field office

split. And sales versus engineering. And even within marketing, turf wars were as ridiculous as they were damaging.

Perhaps the most unbelievable example occurred more than two months after the merger. The forum for the travesty would be a leading trade publication, *Technology Today*.

Hatch had always maintained a strong advertising presence in the publication, as had Bell. During a meeting of the new marketing departments, Jude proposed a new coordinated approach to advertising, one that would allow Batch to double its overall coverage, but with a more focused, consistent message about the new company's combined product suite.

After a short presentation of the new ad strategy, complete with mockups of the artwork and ads themselves, Jude was relieved to see a roomful of heads nodding and to hear a chorus of "looks good" and "sounds fine to me" from his colleagues.

Two weeks later, *Technology Today* hit newsstands. Pages forty and forty-one contained Jude's ads, highlighting Batch's new suite of products and the discounted prices available for customers who chose to buy them together in bundles.

Unfortunately, page twenty-eight contained an unrelated ad for Bell Technology, with no mention of Batch at all! Not only that, the prices for the old Bell products had actually been reduced to a level below those of the combined set, which would only encourage customers to buy them separately.



Though not prone to anger, Jude was livid. That the same people who had sat in front of him and agreed to the new strategy had then gone back to their product divisions and decided to execute their own campaigns independently was bad enough. That they had the nerve to cut their prices at the expense of the new company's well-being was beyond comprehension to him.

But what disturbed Jude most of all was the reaction of his boss, the head of marketing, and the other executives.

Nothing.

He had expected an onslaught of frustration and anger—perhaps directed at him—but experienced none of it. No phone calls, e-mails, stops by the office to ask, “what went wrong?” Nothing. *How could that be?* Jude wondered.

And that's when it dawned on him: someone up there was behind it all. The people who had come to Jude's meeting and politely nodded their heads were not to blame. They were mere minions. The real problem was at the top.

Still, Jude had to find out for himself. So he went to his boss and asked if anyone had noticed the problem, and whether they were upset. The marketing VP sighed, shook his head and explained that these kinds of redundancies and overlap were natural following a merger, and that Jude wouldn't be blamed for it.

Though he was certainly glad to be out of harm's way, relief was not Jude's dominant emotion at that moment. It was a loss of respect for management, and a nagging concern about the future of the organization.

“Maybe this is just how big companies work,” he explained to an incredulous Theresa that night over dinner. “I guess I’ll just keep my head down for a while, do the best I can in my piece of the world, and immerse myself even more in my extracurricular stuff,” as he had come to refer to his advisory board activities.

But Jude was smart enough to realize that avoidance and denial would probably not be the best course of action for him, and that problems don’t usually go away on their own. And besides, he did not have the patience to stand by and watch things unravel.

So, with the security of a nice little nest egg in hand—thanks to the rising stock price—Jude decided to go sniffing for another job.

# SEEDS

**G**iven the growing economy and his network of friends in the industry, Jude was unsurprised at how quickly he had a full slate of interviews, and at how many of them yielded offers. But what did surprise him was how much he was enjoying the job-hunting process.

Every interview gave him an opportunity to learn about another organization, another market, another set of challenges. And though he couldn't quite convince himself to join one of those companies—especially with so much Batch stock still to be vested—every time Jude turned down an offer, the seeds of a new idea starting growing in his head. Realizing that he would never find the variety he wanted in a regular job, he began to wonder if he shouldn't be a consultant.

For the next couple of months Jude continued interviewing and feeding his interest in consulting. But each time he started to seriously consider it, he'd get sucked back into his day job by an urgent project, and the idea

would go dormant. Jude would later refer to that nine-week period as “the longest year of my career.”

And then it happened. The company’s stock, defying the chaos that was driving its employees crazy, hit a level that was three times the merger price. Now Jude’s nest egg began to feel like a full-grown bird; even if he didn’t stay long enough for all of his options to be vested, he’d have the stock equivalent of two years’ worth of salary. And so he decided the time was ripe for a change.

# THE LEAP

Gingerly broaching the subject with Theresa, Jude was shocked by her reaction.

“Well, normally I would support you without reservation. You know that.”

He nodded, and she continued.

“But now that I’m speaking for two of us, I’m going to have to be a little more careful.”

At first it didn’t occur to Jude what his wife was referring to. And then it hit him.

Theresa was pregnant.

After a half hour of quiet celebration and considerable hugging, the conversation shifted back to his career.

Theresa made the conditions of her support clear. “As long as there’s a solid plan for health benefits, then I’m all for it. I know you’ll do well.” she assured him. “Especially if you’re passionate about this.”

Jude trusted his wife’s instincts more than anyone’s, and he could not deny his passion for what he was about to do.

So the next morning he announced to his boss that he would be leaving, and after seventy-two hours of counter-offers and hand wringing, Jude jumped.

But freedom would have its costs.