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*The**The Belden Center for Private Enterprise Education  
Harding University School of Business  
Searcy, Arkansas*

# **entrepreneur**

This issue courtesy of Steve Phillips, Phillips Lumber Co., Inc., Cedar Hill, Texas

## **Leadership In Today's World**

by

**J. Gary Shansby, President  
Shaklee Corporation**

### **'Capitalism Corps' Wins First Place**

The Harding University Economics Team has defeated teams from 10 colleges and universities from five states to win the Southwestern Regional "Students in Free Enterprise" championship in Dallas, Texas on April 23, 1982.

Composed of members Sally Florence of Worthington, Ohio; Paul Holliman of Bartlesville, Oklahoma; Susan Collins of Atlanta, Georgia; Penny Hightower of Mt. Pleasant, Texas; Byron Carlock of Blytheville, Arkansas; Steve Haynes of Little Hocking, Ohio; Ellen Reid of Houston, Texas; and David Hill of Nashville, Tennessee, the Team received the first-place trophy and a check for \$2,500.

The Harding Economics Team will now participate in the National Finals in Dallas, Texas, July 26-28, 1982. In 1980 and 1981 at the Nationals, the Harding Economics Team defeated colleges and university teams from ten regions to win the National "Students in Free Enterprise" Championships.

### **Freedom Awards Presented**

The trustees and officers of the Freedoms Foundation at Valley Forge have announced the selection of D. P. Diffine and Susan Collins by the Distinguished National and School Awards Jury to receive the George Washington Honor Medal for their public addresses titled "The Reindustrialization of America" and "The Marketplace and You" respectively.

Dr. Diffine's speech was a capstone presentation before a group of public school teachers from 19 different states who attended a summer Institute for Economic and Entrepreneurial Education on the campus of Pepperdine University. His speech was subsequently reprinted and distributed by United Employers Exchange. Miss Collins was honored for her presentation as a speaker in the three-day New Orleans area Youth Forum which was conducted in area high schools on the theme "America, Freedom, and You."

On this occasion, I have flown from San Francisco across the great tapestry of America to be at Harding University; and I never fly across the United States without reflecting upon what a vast and precious place it is. The fact that we have come together as a people and stayed together through great tribulation for two hundred and six years is a kind of political miracle! And we should be grateful for it.

It is appropriate on this occasion to emphasize leadership in today's world. Modern leadership, like modern life, is a vast subject with so many adjectives and admonitions attached to it, that it is no longer easy to see it simply. But let me be straightforward. I'd like to look with you at the components and the structure of leadership as I see them in my work, and also at the important matter of style. Yet none of these ideas are of any particular worth unless they are based on a substantial set of human and spiritual values.

It is clear in flying to Searcy and meeting some of you that those historic values that have animated our country from the beginning are alive and well here at Harding University. Let me tell you also how "at home" I feel in coming to an institution that counts among its strong assets the Belden Center for Private Enterprise Education. From the earliest days of my career, I have been a private enterprise educator myself — as the Shaklee people are well aware. I have believed in free enterprise.

I have been a vocal advocate of it! I have sometimes driven people to distraction with my intensity on the issue! Needless to say, there were times on my lifelong journey when I felt very lonesome. But I do not feel lonesome standing here before you.

For a quarter of a century now, Harding's unique American Studies Program has combined academic work with real life experiences. Both are important. And my speaking to you here is part of a process that must go on if any society — primitive or sophisticated — is to survive. Abraham Lincoln put the matter this way:

"Our children are the people who will carry on what we have started. Our children will sit where we sit when we



are gone. We may adopt all the policies we please, but how they are carried out eventually depends on them. They will assume control of our cities, our nations, our churches, and our schools. The fate of humanity is in their hands."

It's not accurate, of course, to describe the Harding students here tonight as children. But Lincoln's perception was accurate, nevertheless. The shift that he spoke of, the taking of responsibility by young people, is an endless process, and it will in your case take place soon. Consider this: A Harding student in this audience — man or woman — could actually be a candidate for president of the United States in the election year 2000. You may think that is improbable. But it is not impossible. And it may be exactly what some of you have in mind!

Useful and wise people have emerged in America as a result of higher education. Other useful and wise people have never gone to a university. But any person who respects and cultivates his or her mind, any person who has set out to grasp information and use it constructively, that person becomes educated in a real sense, and usually becomes a leader. Don't wait too long to become a leader yourself. In fact, don't wait at all. Many of the Shaklee family members are modest leaders in their communities. As a student at Harding, you can also play a leadership role right now — right here on the campus.

The fact is that this campus, though presumably sheltered in an academic "ivory tower," is not all that different from the so-called outside world. It's not all that different from the Shaklee Corporation, which I head — not all that different from the Federal Government, which Mr. Reagan heads. Why do I say this? Because this campus, my company, our nation — they all have issues that are unresolved, questions that are unanswered, and a path into the future that must be found.

## CREATIVE THINKING

As you help define those issues here at Harding, as you help to answer the questions, and as you look seriously for the new path — you are exerting leadership. In the beginning, it may be modest, but it is leadership. So stick with it. The principal component in good leadership is creativity. Without it, leadership cannot get off the ground. This is true because leadership is basically a search for the new.

If we were not dissatisfied with today, if we did not have to search out a future, we would simply not need leaders. But as soon as we begin to search for the new path, as soon as we start to articulate what is needed, then some people will be creative enough to find that path. But not everybody finds it. And many people don't even know what the search is on.

It is not possible to know whether a person can be taught to think creatively. This is an elusive area of human activity, where even the definitions don't come easily. There are many theories about creativity, and they too, are elusive. It is somewhat like the young father who

said: "Before I got married, I had three theories about bringing up kids. Now I have three kids and no theories."

Some believe that creativity is a mystery, possibly a gift — even a divine gift. Others believe it is an everyday process that can be nurtured, and even democratized. But if we can't be sure whether a person can be taught to find the new, we can describe two kinds of thinking that seem to be available to everybody. One of them may help. They have been called convergent thinking — and divergent thinking.

Convergent thinking works neatly and systematically within a system, tending toward an answer. When you call in your financial officer and ask him how the company has been doing for the past month, he gives you a report that represents primarily convergent thinking. Divergent thinking, on the other hand, tends away from a center or a system.

Moving in several directions at once, divergent thinking seeks avenues of inquiry — other ways to go — rather than a particular destination. Using it, you may find the new answer. You may even see the old problem in a new prospective. It seems to me that a classic example of this kind of thinking — of finding a new view and acting upon it — was the late Anwar Sadat's decision in 1977 to go to Israel. Yet divergent thinking is not easy. It means that you must keep an active, broad base of current life information in your head and in your heart. It means that you must not be dulled by time or repetition; that you must shake the cobwebs of habit.

It means that, from time to time, you must hold today at bay while you just sit quietly in your office — or even in your kitchen — seeming not to accomplish much, lost in thought. But your secretary can cover for you. She can tell all callers: "I'm terribly sorry, but he can't speak to you right now. He's doing some divergent thinking." And so as a leader, you look beyond the horizon of time, and you see something that nobody else has seen. Your creativity has found the new path, and you decide that your organization — your company, government, church, labor union — should take it.

## CONFIDENCE AND PERSISTENCE

Since you are a leader and not a hermit, the next piece of the structure of leadership is to persuade the people around you that you are on the right track. For only through them will the idea work. Because most of these people work for you, it is sometimes easy to get their agreement. But the valuable ones — the ones on their way to their own brand of leadership — will always tell you what they really think. The valuable ones will not be afraid to disagree with you.

The confidence of your colleagues and co-workers is critical now — their confidence in you and your confidence in them. For you must stand back and let them do their work. And only when it is done can you come forward and judge it. The leader who tries to do everything is soon swamped, and lost in detail. This is



true in many areas of leadership — business, science, government — even the performing arts. When Leonard Bernstein conducts a symphony orchestra, the music itself is a prescribed pathway, and he knows exactly what he wants to hear. If he has also composed the piece, then he has already heard it hundreds of times in his head. But now, standing on the podium, he will hear it because a hundred of his co-workers will create it, measure by measure.

Now let's consider the piccolo player. The maestro knows from long experience exactly what the piccolo player's task is. He also knows the piccolo player's name and his aims and skills, his strong points, and his weak ones. He may even know some of the piccolo player's individual problems in life. But everything else fades away as Bernstein lifts his arms for the downbeat, and the music begins. It is now his task to fit the piccolo into the bigger picture, indeed to fit every player and every instrument into the bigger picture. He has many ways to persuade the piccolo player to play it right. But never does the conductor leave the podium to play the piccolo! His job is to lead!

Once a leader has persuaded the people around him to accept the new task or the new path — once they are with him — he faces the next step. The outside world must be persuaded. And the outside world must respond. Now the leader has to persist. He must persist in the face of disinterest or ignorance or criticism or even attack until the new idea becomes a living fact — until it moves from the future into the present, until it is validated by the passage of time, or until it is modified. This, I have found, is the most difficult part of the structure of leadership. You have gone out on a limb. You have made a clear commitment. You have accepted the responsibility. And now, you wait for the verdict.

I am, of course describing all this in a simplified, schematic fashion. In actual leadership situations, you may be out on several limbs at the same time. And even out there, you are still doing more divergent thinking. Let me cite the experience of two presidents to confirm this point. One is the president of the Shaklee Corporation — myself. The other is the president of the United States — Mr. Reagan. I don't feel presumptuous in doing this. He and I have been in favor of free enterprise for years.

### **A REVITALIZED CAPITALISM**

I think it's accurate to say that President Reagan is today at the "point of persistence" in his administration's program. He and his colleagues have made the move from decision to persuasion, and it is the nation itself that must be persuaded. This President has been calling for a change in our national economic direction for a long time. And he has been a prominent public figure all the way.

Ever since his first political speech at the Republican Convention of 1964, Mr. Reagan has contended that we have strayed from our old productive path, our old free path. I agree. In the beginning, we were free because the

people who came here to escape the unwarranted political power of the Church of England were a determined and ambitious people. In the beginning, we were free because we had an untouched continent upon which to build an economy. It was called the new world.

In the beginning, we were free because we started communities in the middle of nowhere — even before there were governments to take care of public needs! In the beginning, we were free because our young American government encouraged freedom. No wonder that we thought of ourselves as "free enterprisers!" Well the light of freedom has not gone out, but it has grown dimmer. We have gradually lost our sense of free enterprise.

But I hasten to add that that is not true of the members of the Shaklee family. They know as they start out each morning that their income depends directly on their efforts and their achievement that day. They don't have a federal grant. They don't have a federal subsidy. They have to get on the stick, and get going! And they do!

Today, Mr. Reagan is proposing to lead us back to the greener pastures of free enterprise. Can we once again face in the direction that he is pointing? Can we once again move forward looking, more fearless, more free to win — or even to lose? Can we grasp the future in our own hands? The real answer does not lie with the President. It lies with the people. In the schematic of leadership that I have presented these are indeed his days of persistence. The President's new budget proposals have brought him under fire from many sources. Not only his traditional democratic adversaries have spoken out, but many in the republican party as well. He has even been criticized by his old friends in the National Association of Manufacturers.

Though he may eventually have to compromise in order to avoid a great national stalemate on the budget and on military spending, I am sure that President Reagan will not be entirely deflected from his supply-side program. And I think that in years ahead we shall be able to see that his leadership — with all the pressures involved — has had a lasting impact on how we finance and control the United States Federal Government. Style is sometimes overlooks in discussions of leadership. But I believe that style is substantive and that it is not merely superficial theatricalism. The Reagan style is compelling.

### **A POSITIVE STYLE**

Many people like Mr. Reagan even if they don't like his programs. And this is remarkably helpful to him. Though he grasps the essential seriousness of our problems, he radiates unflinching confidence and good cheer, and he uses self-deprecating humor to remarkably good effect. But we can also see that, as a leader, he is himself. And that is important. In an essay on the art of writing, E. B. White once said: "Beware when you approach the matter of style, because you are approaching yourself." Yes, in politics, in writing, in business, in everything, it is always good to "know



thymself." Men and women in leadership roles do embrace a wide spectrum of personality.

Today, with the Reagan Administration committed to the idea of turning responsibility back to the communities of the country, it is important to see that much leadership is now being linked to some kind of public service. Whether you are a Shaklee Distributor who helps out with an agency of your local United Fund, or whether you are part of a large corporation that has — as Shaklee does — a thoughtful program of community help, you are in a position to be particularly useful. To put it more bluntly, the kind of people who are in this room tonight must become public leaders, because we are needed. In this peaceful room is the energy and sensitivity and intelligence that the world needs.

And beyond this room is a world in trouble. But it is not a time for despair. In all the horrors of the modern world, humanity has not gone out of style, and there is nothing wrong with being concerned about the fate of a stranger's child. It is simply time to pitch in, time to do our work intensely, time to help constructively, time to keep our sights high. Our nation, with all its democratic imperfections and uncertainties, still stands as a living monument to freedom of expression, movement, and choice, to freedom of the human spirit.

And as Thomas Paine once put it: "Those who expect to reap the blessings of freedom must undergo the fatigue of supporting it." The government of the people, by the people, and for the people did not perish from the earth. We inherited it. And we also inherited an ad-

monition set forth in the opening words of the Constitution.

It is the task of all Americans, even today, to create a "more perfect union." Well, it is difficult to define a perfect union . . . or a perfect family . . . or a perfect corporation . . . or a perfect university. And it's even more difficult to attain the perfection. But it is not hard at all to tell whether we are working toward — or working away from — that great goal.

Let me close with an admiring reference to another leader, Thomas Jefferson. The Virginia scholar, Duma Malone, has recently finished a six-volume biography of the man from Monticello, and this is what Mr. Malone said in an interview in **The New York Times** just as he was beginning to work on the final volume:

You always have the feeling that it's springtime in Jefferson's mind. A new era, a getting rid of superstition and tyranny, a journey toward freedom and knowledge. You'd never think he would have been a popular type. He was a highbrow. He built his home on a mountain top, didn't like crowds, didn't rub shoulders with people, was never a 'hail-fellow-well-met.' Yet he was an enormously popular leader. And I think the reason is simply that he had respect for other human beings — and they knew it. That's the essence of democracy, of course. That's the essence of religion, too. In fact, that's the essence of everything.



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