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Social responsibility and a 'servant' boss can spark a startup

Kevin Owyang, Special to Upstart Business Journal

Entrepreneur [Kevin Owyang \(/search/results?q=Kevin Owyang\)](#) talks to [Dennis Bakke \(/search/results?q=Dennis Bakke\)](#), about his new book, The Decision Maker, and shares his interviews with other experts about how bringing social responsibility into a startup impacts a business.

Entrepreneurs are powerful igniters of innovation, but keeping your venture thriving for the long haul requires a different fuel. The kind that comes from a team that believes in what you're doing.

"When I built my first two companies, we chose people based on IQ or experience," **Sonny Vu**, who co-founded the fitness gadget startup [Misfit Wearables \(http://www.misfitwearables.com/\)](http://www.misfitwearables.com/) with [John Sculley \(/search/results?q=John Sculley\)](#) and received second place in Consumer Electronics Show's Last Gadget Standing competition told me. "This time I chose people with a servant's heart, and I'm the happiest I've ever been."

But what's the roadmap for building the type of culture where the boss considers himself or herself a "servant" to a greater good rather than the person in charge?

"It's just like how I raised my children," says Bakke, author of [Joy At Work \(http://www.dennisbakke.com/\)](http://www.dennisbakke.com/) and chief executive officer and co-founder of [Imagine Schools \(http://www.imagineschools.com/\)](http://www.imagineschools.com/). "At some point you have let go. You don't boss them, you walk alongside them."

I caught up with Bakke for this exclusive interview just as his latest book, [The Decision Maker \(http://decisionmakerbook.com/\)](http://decisionmakerbook.com/), a fictional account of two executives who buy a manufacturing company, is released.

Start with social responsibility

"A business should be trying to do something wonderful, in a very economically sound way, to make things better in the world, whether it's entertainment, building a house, or building a road," Bakke tells me, adding, "How you do it makes a difference, in terms of making a place where people can be very productive."

It's the "people component" of social responsibility.

"The people component is often where companies fall short," says [Gifford Pinchot \(/search/results?q=Gifford Pinchot\)](#), co-founder and president of [Bainbridge Graduate Institute \(http://www.bgi.edu/\)](http://www.bgi.edu/), a pioneer in sustainable business education, "and it's very important we change that."

Bakke agrees, adding that "at [Harvard Business School \(http://www.bizjournals.com/profiles/company/us/ma/boston/harvard_business_school/977533\)](http://www.bizjournals.com/profiles/company/us/ma/boston/harvard_business_school/977533), I learned a fabulous amount about how to analyze issues and problems, but very little about lifting people up."

Infuse passion into your people

Entrepreneurs often spend countless hours working to try and create something successful.

"If you're going to spend all this time, why not make it a place where you really want to be and people want to be there? Bakke asks. "It's not just a great place to work because you get paid a lot or you're popular. The essence gets down to our human ability to think, reason, make decisions, and hold ourselves accountable." And the key is to make work a place where people can actually operate that way.

In The Decision Maker, Bakke tells the fictional story of two executives who purchase a manufacturing company. It reflects a compilation of characters from Bakke's experiences at [Imagine Schools \(http://www.bizjournals.com/profiles/company/us/mi/warren/imagine_schools_inc/2701869\)](http://www.bizjournals.com/profiles/company/us/mi/warren/imagine_schools_inc/2701869) as well as at [AES Corp. \(http://www.bizjournals.com/profiles/company/us/va/arlington/the_aes_corporation/1840079\)](http://www.bizjournals.com/profiles/company/us/va/arlington/the_aes_corporation/1840079) In 1982, Bakke created AES with a \$60,000 loan and \$1 million in seed capital, and he grew it to a Fortune 200 global power company.

The duo in Bakke's inspired fable face skeptics, entrenched heels, and outright insubordination. Yet their passion for building a company that isn't solely about the numbers, forces them to persevere. Because, like nearly every entrepreneur, they just want to do work worth doing and at a company that is better than any they have ever worked for.

Celebrate your people

"It's easy to find workers who love this culture. It's extremely difficult to find leaders," says Bakke. "In my book, leaders are servants, not managers, and in real life it's very difficult to find managers that can lead that way."

That's because very few leaders who consider themselves "hot shots" of an organization can think of themselves as servants, says Bakke.

"Others are serving us; working to see our vision come to fruition," he says. "And though we don't like to admit it, all of us act like we're boss." And by that he means everyone, particularly entrepreneurs, where being a hot shot comes with the territory.

"You have to care about your people. You can't have a mentality that 'I'm on top'. You have to have a mentality that I'm on the bottom and I'm lifting you up. I want to find out about your talents and gifts so I can help you," he says.

Bakke has two main rules for decision-making: Have sound analysis on which to base your decision and let the person closest to the issue make the call, and that's often not a manager. How does he avoid chaos? A simple rule, "if you don't seek advice before you make a decision, you're fired."

Bakke points out that no matter who the ultimate decision-maker is, they should be seeking advice from peers that report to them, leadership, and even experts outside the company.

Stand up for them whatever it takes

When Bakke left AES, he wasn't one to sit around and not work. Yet admittedly, education reform and charter schools "never crossed my mind as the next step," says Bakke, who echoes many other career changers. "But it was a chance to serve those that need the most help — kids in poverty and disadvantaged communities."

Like so many entrepreneurs, he underestimated the heavy lifting. "I didn't realize how far behind these kids would be." And when I ask him if he ever felt like giving up, he says half-jokingly, "yesterday."

"There are an enormous numbers of teachers who care a lot, yet they aren't rewarded. That needs to change. Changing the decision-making in education is crucial. We need to lift these kids and teachers up."

Does Bakke live by his own advice as laid out in his newest book?

"Well, I've sunk \$150 million into Imagine Schools and the effort to lift teachers and kids so they can discover their gifts and talents," he tells me. "I do believe we can make a radical difference by empowering them."

[Kevin Owyang \(/search/results?q=Kevin Owyang\)](#) is founder of [B Jibe \(http://news.bjibe.com/\)](http://news.bjibe.com/), a not-for-profit project of Avolusis, LLC where Owyang is chief executive officer.

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