

JOEL KURTZMAN

The Essence of Comebacks

EUROPE IS ARGUABLY THE BIGGEST COMEBACK STORY in modern times. In the aftermath of World War II, amid rubble, rationing and lingering enmities, a group of visionary leaders built an organization — the European Coal and Steel Community. That organization, launched in 1951, evolved into the European Union decades later. The European Coal and Steel Community was the first of many steps leading to Europe’s resurgence as an economic and technological powerhouse, and as a stable political entity.

What’s so interesting about this story, and reflective of all successful comebacks, is that the resurrection was an improvement on what preceded it. Before the European Union, the Continent was divided into nation-states, guarding their sovereignties and vying for political and economic power through constantly changing alliances. After the E.U., Europe is a strong, stable, partially integrated community of states that have voluntarily surrendered some of their sovereignty for the greater good. The present is based on, but transcends, the past.

That’s the part of comebacks we sometimes forget. The job of leaders and their supporters during a comeback is not to resuscitate an organization or enterprise on its deathbed, but to construct something new. Yesterday’s China was “the sick man of Asia”; today’s is powerful and dynamic.

Apple’s renaissance, led by Steve Jobs, transformed that company radically. Had Jobs simply propped up Apple Computer, rather than reshaping it into Apple Inc., the company might not have endured. Similarly, to create the *new* General Motors, the leaders who orchestrated that company’s resurgence had to bury the *old* G.M.

Harley-Davidson’s overhaul followed a similar script. It took place in the 1990s when a group of executives, including the scion of one of the founding families, took over the company and recreated it. They did it because they were passionate about the brand and their customers. And while

the company’s motorcycles may just look as “bad” as they did in the “Easy Rider” days, the way the company makes and finances those “hogs” is altogether different.

That’s the paradox of a comeback. The worst outcome would be to duplicate the organization that just went under. And yet, for the turn-around to succeed, the soul of the original must survive. That essence must be transmitted to everyone working at the company, to the markets where the products are sold, and to investors.

When France, Germany, Italy, Spain and the other European countries gave up sovereignty to create the E.U., they did not give up being French, German, Italian or Spanish. Fans of football in Barcelona, Manchester and Madrid did not give up cheering for their teams. And, when Jobs rebuilt the company he helped to found, he made sure the Apple didn’t fall far from its original tree. Radical transformation must be balanced by preserving some of what came before. That is one reason comebacks are so difficult to achieve. ▀



Joel Kurtzman is author of the new book *Unleashing the Second American Century*.
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FROM THE COVER
Some marine scientists say the rate and impact of ocean change are greater than anyone had previously realized. This issue’s cover suggests that the next big comeback can begin with us.



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