

# Think About This as You Don Your Tuxedo Mort Meyerson canceled the company Christmas party, but he wasn't a Scrooge. On the contrary, he put the spirit of the season above all.

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(FORTUNE Magazine) – Pretty much everyone was furious when Mort Meyerson canceled the Christmas party. Make that parties; a company of 13,000 people holds lots of them. But he didn't change his mind. As corporate party time rolls around this year, it's worth hearing why he did it--and what happened.

Meyerson is retired, but you may remember him as the CEO of Electronic Data Systems, Ross Perot's Dallas company, from 1979 to 1986. He was enormously successful: Revenues multiplied 15-fold during his tenure, and the stock rose about 1,480%. He and Perot teamed up again when Meyerson ran Perot Systems from 1992 to 1997 (the company was private then). That's where he got radical about the Christmas party.

He was brand-new in the job when, as he recalls, "a kind of financial thing came by, and I saw that the Christmas party was going to cost \$360,000 nationally. And I said, 'Three hundred sixty thousand dollars--why are we doing this?' Oh, I was told, because people like to put on tuxes, and we want to reward them, and we want everybody to be happy. I said, 'Cancel the party.'

"Now, since I'm Jewish, that wasn't too...it wasn't received well--I'll put it that way. I said, 'Look, this has got nothing to do with being Jewish or Christian, this has got to do with the spirit of the holidays. I hereby cancel the party, and here's what we'll do.'

"I said, 'We'll take the \$360,000 and buy food and clothes and toys, and we will get our employees to take those things personally and deliver them to the inner city, to people who don't have anything'--which we did.

"The result was, first, outrage that we canceled the party, then depression, then recognition that we were doing something different, and then elation for those who actually took those things."

I asked Meyerson to expand on that last point--what the nonparty program did for employees. He didn't have to think about it. "It made them more human. It made them more effective as employees. It made them better family members. It did a whole bunch of things. I mean, I had an old-line operations person from the computer center come to me after he delivered some of these goods in inner-city Dallas, and he had tears in his eyes. I'd never seen him show an emotion, much less tears. And he said, 'When you first canceled the Christmas parties, I could have strangled you. But I just returned from giving some toys, and

I've seen the life that these people.... I've been to the inner city. I've never experienced this. This has changed my life.'

"At that point, I knew we were doing something okay."

Meyerson figures that back when he was a CEO, he gave about 10% of his time to community and philanthropic projects. Some were big ones: The Dallas Symphony performs in the Morton H. Meyerson Symphony Center. But now he spends 50% of his time on what he calls "guerrilla philanthropy"--no staff, no foundation director, just personal visits to projects he may decide to fund. "This is probably not very efficient, but for me it's extremely satisfying because I have a sense of what's going on that I can't get if somebody gives me a report."

Meyerson seems to get so much satisfaction from guerrilla philanthropy that I asked him to reflect on his time as CEO. In light of his experiences these past three years, would he have done anything differently back then? "Wow. You're putting me on the spot here." Pause. "I would have retired from being a CEO earlier, is what I would have done." Pause. "And I probably would never have become a CEO, is what I would have done."

This seems almost incredible--you don't hear a lot of high-profile, successful CEOs allowing that maybe there was another path. But as with the matter of the Christmas party, he's thought it through, and he means it. "I think I make a bigger difference in life today than I made when I was trying to manage, theoretically, 45,000 people at EDS and 13,000 at Perot Systems. I mean, I was paid a lot of money, and it was a good thing. But the facts are, I was simply in front of a herd of people pushing me forward. Now I'm right where the rubber meets the road."

Meyerson has achieved about as much in a career as anyone could hope to achieve. This is where he comes out. As we begin again the season of giving, reflecting, bonus awarding--and partying--we could do worse than listen.