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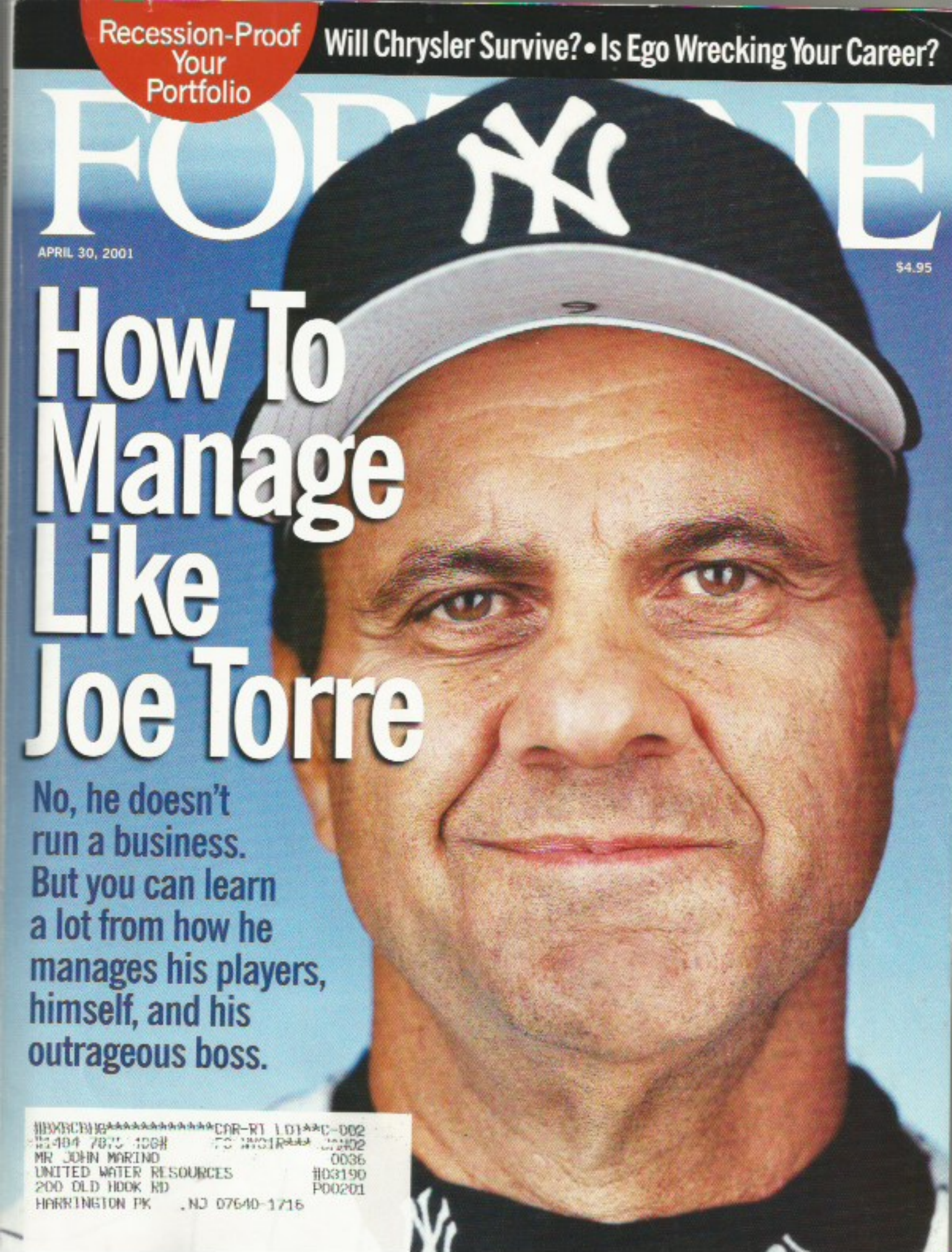


How To Manage Like Joe Torre

No, he doesn't run a business. But you can learn a lot from how he manages his players, himself, and his outrageous boss.

A MANAGER FOR ALL SEASONS

Joe Torre gets the most out of his workers, makes his boss happy, and delivers wins. He may be **the model** for today's corporate managers. And he's not afraid to cry.

BY JERRY USEEM

Joe Torre began the 2001 baseball season the same way he finished the 2000 baseball season: with tears in his eyes. Last year they spilled forth in the dugout after the Yankees clinched their third straight World Series victory. This year they arrived while Torre was catching the ceremonial opening pitch from Mel Stottlemyre, the Yankee pitching coach who survived a bout with cancer last year. "I was getting more and more choked up, and my eyes were getting wet from tears," Torre said from behind his Yankee Stadium desk shortly after his team had pounded out a 7–3 Opening Day victory over the Kansas City Royals. "I didn't want to screw up and not catch the ball."

Sentiment may sometimes get the better of him, but has Joe Torre screwed up *anything* since becoming manager of the New York Yankees in 1996? Consider: For five seasons he has taken a collection of rookies and retreads, recovering drug addicts and born-again Christians, Cuban defectors and defective throwers, and created a workplace that, were it not for its particular job requirements, would surely qualify for FORTUNE's list of the 100 best places to work. He has managed up as well as down, taming a notorious boss while buffering his players from the worst of the New York media maelstrom. In the process, he has returned one of the world's most storied brands to its former dynastic glory, winning four World Series in five years: the Torre Restoration, you might call it.

No, this isn't Jack Welch in pinstripes. Let's be clear: Joe Torre knows no more about running a FORTUNE 500 company than Shakespeare or Elizabeth I or Jesus or any of the other figures who have lately been transfigured into management savants. Understanding ERA does not make one a master of EVA. But chances are, Joe Torre knows something about managing people that you don't.

"I try to understand what motivates other people," Torre was explaining, pondering a bowl of oatmeal at a Manhattan restaurant two days into the new season. At 60, the dark features that seemed so menacing to opposing pitchers during his playing days have become the stock image of Yankee power—controlled, yet suggestive of deep water just beneath. "Some players may be critical of a decision I make, but I'm more into 'Why did they say it?' as opposed to what they said."

As such comments hint, one needn't grasp the finer points of the hit-and-run or the infield fly rule to understand the core of the Torre style. Rather, Torre is best understood as a master organizational psychologist: "Joe manages more in the clubhouse than he does on the field," notes his old teammate and Yankees broadcaster

PHOTOGRAPHS BY MARTIN SCHOELLER—CORBIS SABA

Tim McCarver. Indeed, he is an exemplar of what has become known in management circles as "emotional intelligence"—squishily defined as the ability to peer inside another person and see what moves and motivates him. "This guy is a textbook case of an emotionally intelligent leader," says psychologist and *Emotional Intelligence* author Daniel Goleman, who has, in fact, used Torre as a textbook case.

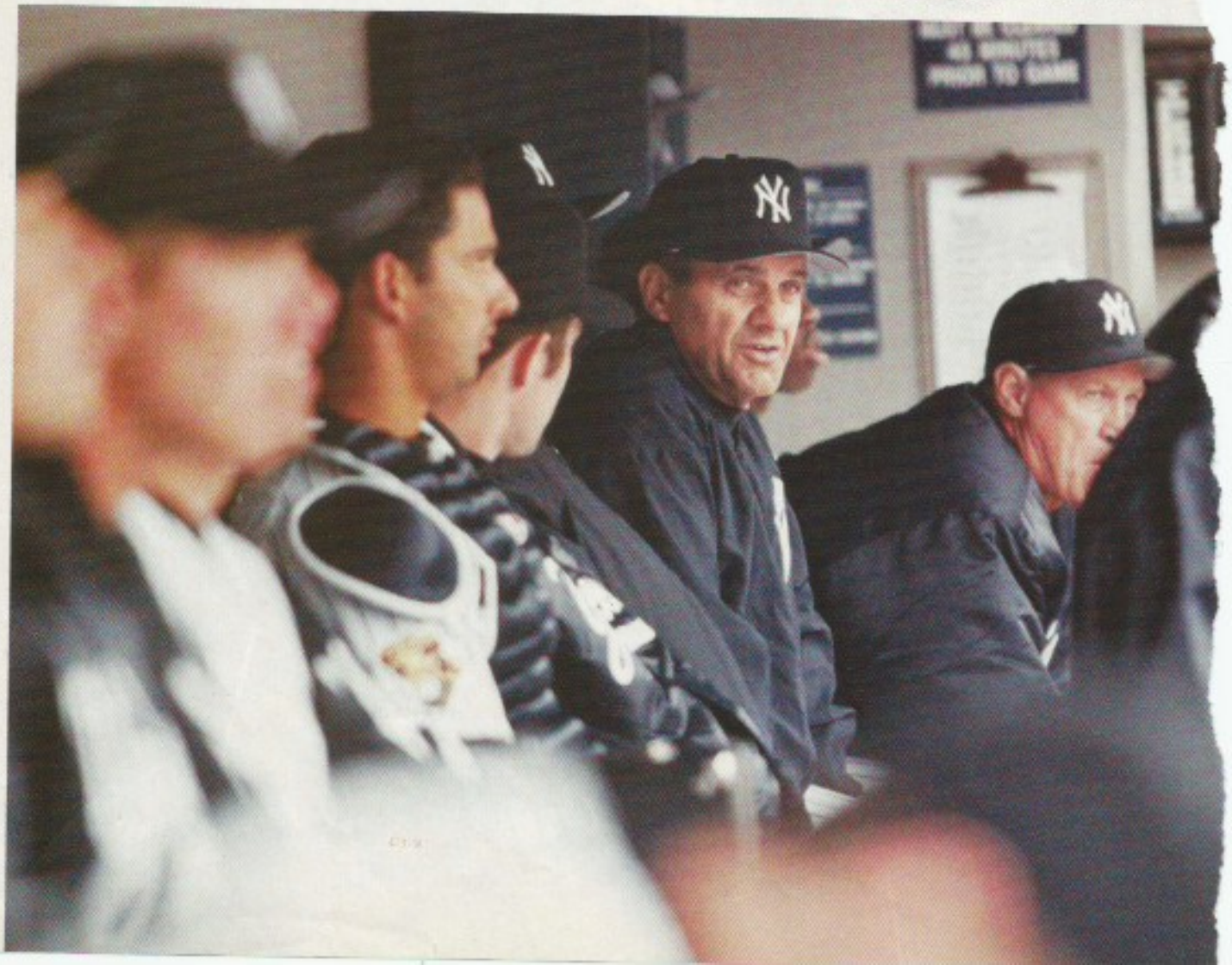
Baseball legend Gene Mauch once said that it's easier for 25 players to understand one manager than for one manager to understand 25 players. Torre operates under the opposite premise. He sets a few basic rules (don't be late, no excessive facial hair, no loud music in the clubhouse), but that's it for across-the-board edicts. His principal management tool is not the big team meeting—he has little use for generic motivational talks—but regular one-on-one encounters with his players, which he uses to both monitor and regulate their psyches. Many of these are low-key confidence boosters: "I'll be bent over tying my spikes, getting ready for the game," says pitcher Roger Clemens, "and he'll come by and whisper something in my ear: 'Hey, we need you tonight in a big way.' " But other encounters let Torre do what he does best: watch and listen before he says a thing.

When pitcher David Wells squandered a 9–0 lead early in the Yankees' record-setting 1998 season, for instance, Torre was most troubled by Wells' body language: The bearish pitcher had skulked around the mound between pitches, then refused to make eye contact with Torre when pulled from the game. Sitting down to talk three days later, Wells at length blurted: "I feel like you don't show confidence in me." In particular, he accused Torre of warming up relievers too quickly in the bullpen, as if expecting him to fail. Torre was taken aback by the interpretation, but knowing it was Wells' perception that mattered most, he began waiting longer to warm up relievers. Two starts later, Wells made history by pitching a perfect game.

"Baseball is 90% mental—the other half is physical," as Yankee great Yogi Berra so inimitably put it, and it could be a Torre credo. With 162 regular-season games, 30 spring-training games, and as many as 19 post-season games, he believes the sport isn't easily separated from the emotional entanglements of everyday life. "Baseball, it's a game of life," he says. "You play it every day. And when you have a problem, unless you talk about it or deal with it, it's going to get worse."

Third baseman Scott Brosius recalls learning of his father's death during a 1999 road trip. "I walked into his office in Toronto and said, 'Joe, I know I'm giving you no notice, but I've got to go home,' " says Brosius. "I wasn't going to leave for another day or two ... [but] he got up, he gave me a hug, and said, 'Hit the road.' ... In my mind, he has a great perspective on the game and where it fits in our lives."

The fact that Torre himself spent 16 years in a player's uniform—mostly catching, for the Braves, Cardinals, and Mets—is an oft-cited explanation for that perspective. It also helps explain Torre's acute attunement to the psychology of slumps: the cascading loss of confidence, the corrosive feeling that one's previous successes were the work of another person. "I hit .360 one



"For a guy who was **fired three times,** he's done pretty well," says Torre's boss, George Steinbrenner.

year and I hit .240 another year, and I felt I played equally hard both years," says the man who once set a Major League record by hitting into four double plays in one game.

"Joe doesn't put added pressure on you or act differently toward you because you're not hitting well or playing well," says Paul O'Neill, the rightfielder and former American League batting champion. "Players pick up on these things." Indeed, Torre is all too aware of the self-punishing tendencies of players like O'Neill, whose penchant for smashing water coolers and announcing "I quit" after hitless performances has caused Tim McCarver to observe, "Every at bat is Armageddon." (In one running dugout routine, bench coach Don Zimmer offers to hook O'Neill up with a construction job in Cincinnati.)

The result is a paradox of sorts: a high-performance workplace where failure is routinely tolerated. "This sport is pretty much built around 'What have you done for me lately?' " says relief pitcher Mike Stanton. "I've worked for organizations in the past that are real quick to jump off the bandwagon when things aren't going well, regardless of what you've done.... With Joe, you don't really have to look over your shoulder, because you'll lose confidence in yourself long before Joe loses confidence in you. He'll say, 'I remember what you did for me. I remember what you did for this organization. Why don't *you* remember?' " Hence, says Stanton, "if you're struggling, it's like, well, you're going to be right back out there tomorrow, so you better get over it."

THE SPHINX
Torre appears calm when he's tense—what one observer calls his "calm bombs."

Torre stuck to that approach even with David Cone, a brilliant pitcher who unraveled spectacularly last season, posting a 4–14 win-loss record and a frightful 6.91 earned-run average. At one point, Cone grew so frustrated with his own performance that he hurled a hand-painted ashtray across Torre's office, smashing a framed photograph of Joe DiMaggio and Mickey Mantle that hangs on the wall. ("Coulda been worse," says Torre. "Coulda been a picture of me.") Yet Torre continued to give Cone the ball, invoking his past successes when he told reporters, "David has enough in the bank for me to retire on."

Such displays of loyalty register deeply with the players: "We're loyal to Joe because Joe is loyal to us," says Stanton. These bonds, in turn, have allowed Torre to make difficult decisions—such as temporarily benching big-name veterans for strategic reasons—without a peep of protest. Well, hardly a peep: Torre says his one incorrigible was outfielder Ruben Sierra, who complained ceaselessly about everything from his playing time to his uniform number. "He didn't get it, and in retrospect, I don't think he wanted to get it," says Torre. "He was so used to dictating what he wanted as opposed to what was best for the team." Traded to Detroit at Torre's insistence, Sierra meant to insult the Yankees when he growled, "All they care about over there is winning."

Pursuing his patient approach to managing has meant handling the famously impatient George Steinbrenner—he of the 21 managers in 24 years. Torre's success in this regard may by itself be grounds for induction into a managerial hall of fame.

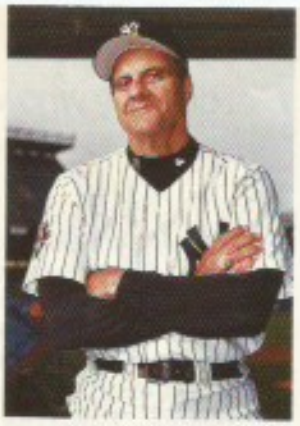
In an interview with FORTUNE, Steinbrenner had generous words for Torre, calling theirs "the best relationship I've ever had," imagining Torre as "a damn good corporate executive," and praising his New York "mental toughness" a dozen times or so. But the Yankees' success, he stressed, "is not strictly Torre. That is the *organization*. Because if you look at Joe, as a manager he got fired three places.... I think Joe appreciated that a chance was taken in hiring him, because usually you go with someone who's successful. I mean, a guy who had been fired three times! Including the Mets—he was fired by them. He was fired by St. Louis." As he often does, Steinbrenner then recalled the *Daily News* headline that greeted Torre's hiring: CLUELESS JOE. "For a guy who was fired three times, he's done pretty well," Steinbrenner concluded. "He has had respect for me and the organization. Maybe that comes from getting fired three times."

All this Torre has borne not only with patience but also with some measure of empathy: Where most saw a bully, Torre simply saw a man in need of reassurance, which he deftly set about providing. "The best line that I ever heard from Joe was when we got beat by Atlanta pretty bad in the first game in [the] 1996 [World Series]," says former Yankees catcher Joe Girardi, retelling what has since become clubhouse lore. "George came in and, you know, was a little upset about it. And Joe actually told George, 'You know, we might lose again tomorrow too, but we're going to be okay. Don't worry.' And I just can't imagine what George's face was like when he told him that." As Torre suggested they might, the Yankees lost the next game, but won the next four straight to clinch the championship.

Torre isn't a stranger to tough bosses (he says his relationships with the Braves' meddlesome Ted Turner and the Cardinals' penny-pinching August Busch III were worse), which has helped him appreciate Steinbrenner's less offensive qualities, notably his total commitment to winning. "You can't pick and choose the part of him you want to keep and the part you don't want to keep," says Torre. "He's a package, and you gotta accept the whole package."

In accepting the package, Torre knows to give the boss' ego wide berth (see following story). But he has also discovered that he can disarm the vituperative Steinbrenner with humor. "George," he once deadpanned, "how about after you fire me, you put Zim and me in the broadcast booth?" (Steinbrenner roared with laughter.) And during one of their occasional shouting matches—this one over Torre's contract extension in 1998—Torre stopped midway to ask, "We're not mad at each

A self-improvement seminar in a Cincinnati Holiday Inn proved to be **"a life-changing experience"** for Torre.



other, right?" Steinbrenner responded, "No, we're not."

The result, by all accounts, is a calmer Steinbrenner who makes fewer appearances in the clubhouse and thus the tabloids—a sure improvement over the days when he paid an operative $40,000 to dig up dirt on Dave Winfield, the outfielder he taunted as "Mr. May." "I'm sure there are a lot of times where [Torre] catches a lot of flak from Mr. Steinbrenner about how we're playing," says pitcher Mike Stanton. "But we never hear about it." Granted, Stanton is probably overlooking the time Steinbrenner called pitcher Hideki Irabu "a fat, pussy toad." But even these moments of recidivism Torre has taken in stride: "I never ask George not to be critical of the players. That's part of his right as an owner." Steinbrenner surely agrees: "Joe doesn't have to keep being reminded that there is a boss. And I don't have to keep reminding him that I am a boss, see?"

Torre, of course, wouldn't be half so effective in managing his employees or his boss if he weren't so effective in managing another person: himself. Though he admits to stomach-churning emotions during games—often chewing on atomic red-hots to control stress and keep his mouth from getting dry—one wouldn't know it from his perpetually Sphinx-like expression. "Joe never panics, and you never see him berating a player," says Joe Girardi. "You never see him dropping his head in disgust." If anything, Torre manages countercyclically: As the situation grows more tense, he grows outwardly calmer, his mannerisms becoming even more deliberate. (Yankees general manager Brian Cashman calls these displays "calm bombs.") Conversely, when the Yankees are winning, Torre feels at liberty to turn up the heat on his players.

Oddly enough for a man who reports to work at Yankee Stadium, Torre hates loud noises—a reaction, he believes, to growing up frightened by his father's sometimes violent tirades—and much of his technique might be understood as turning down the volume. The blare of the media, 50,000 fans, and a loudmouth owner can all conspire to create excess tension, and tension, Torre believes, is what prevents players from playing up to their natural ability. (Tim McCarver recalls once searching for words to describe his own struggles at the plate and hearing Torre offer, "You want to be *in*tense, but not tense.") When the Yankees went on a severe losing skid last September, dropping 15 of 18 games, Torre blamed it not on complacency—the media's take—but on trying too hard to clinch the division. With champagne chilling in the clubhouse before the start of one game, he announced: "Guys, you have a choice. You can either drink it before the game or after the game. You may be better off drinking it before the game, because you're so tight."

Most players can't recall Torre's ever losing his temper. But shortstop Derek Jeter laughs sheepishly at one episode, deferring the telling to Torre. "It's 1996," remembers Torre. "He's a rookie. He's at second base against the White Sox in Chicago, we're in the top of the eighth inning, we're losing by a run. Now, there's an unwritten rule in baseball that you never make the first or last out at third base. [There are two outs], and Cecil Fielder's the hitter—one of our big boppers—and all of a sudden I see Jeter taking off for third. It's a bad play if you're out. And he gets thrown out.... So I'm throwing clipboards and all that, which is very uncharacteristic of me, because I don't want to watch myself on ESPN for a week on end throwing shit in the dugout.... [So] I said to Zimmer, sitting next to me, 'I'm not going to talk to him about this until tomorrow, because I don't want to rattle him today.' "

When Jeter returned to the bench at the end of the inning, however, he wedged himself directly between Torre and Zimmer. "He just sat there as if to say, 'Have at it,' " says Torre. "I didn't even criticize him. All I did was hit him in the back of the head and say, 'Get the hell out of here.' Because I knew he knew that he screwed up."

Torre's almost surgical ability to mend a player's confidence stems in part from his own battles with self-esteem. Overweight and self-conscious as a teenager in Brooklyn's sandlots, he seemed a long shot to follow his older brother, Frank, into the Major Leagues: One talent scout dismissed him as

REPORTER ASSOCIATE: *Lisa Muñoz*

NO. 1 MANAGER: JACK OR JOE?

FORTUNE named Jack Welch the "Ultimate Manager," but by these deeply scientific measures, Torre makes a tough challenger for the title.

	Joe Torre	Jack Welch	The winner is ...
Employees managed	25	313,000	JACK
Winning streaks	Three World Series	102 straight quarters making earnings targets	JOE
Compensation	$3 million	$144.5 million	JACK
Managing top talent	His top stars (Derek Jeter, Mariano Rivera, Bernie Williams, Andy Pettitte) stick around.	Most of his top stars (Larry Bossidy, Stanley Gault, Bob Nardelli) have gone elsewhere	JOE
IQ	Understands curve balls	Understands jet engines	TIE
Emotional intelligence	"Mr. Compassionate"	"Neutron Jack"	JOE
Headquarters	The House That Ruth Built	The House That Jack Built	JACK
Personal style	Pinstripe Joe	"Corporate Casual" Jack	JOE

"a fat kid with no speed." Even after collecting the National League's Most Valuable Player Award in 1971 with the Cardinals, he could easily tumble into self-doubt, as when fans booed him the following spring for his involvement in a brief players' strike. "Emotionally, it whipped me," he says. "I couldn't relax all year." In hindsight, Torre wishes he had allowed himself to have more fun.

During his managerial stints with the Mets, Braves, and Cardinals, Torre amassed an unstellar record of 894 wins and 1,003 losses, in the process earning a reputation as a "player's manager." Today that comes off as a compliment, but back then it carried the stinging suggestion of softness. "You hear that enough times and you don't win," says Torre. "Eventually you start asking those questions of yourself. Should I do things a different way? Should I be a hard-ass?"

Despite the lingering insecurities, Torre's present style came into focus during those years. Long averse to conflict and the display of raw emotion, he nevertheless mastered a more forthright approach to communication. "A lot of managers try to b.s. the players," says Dal Maxvill, the Cardinals' former general manager, "but Joe is more likely to say, 'The reason you're not playing in the outfield is I have three guys who are better.' " Players didn't always like what they heard, but the unblinking honesty built trust.

Then, in 1995, Torre reluctantly agreed to accompany his wife, Ali, to a four-day self-improvement seminar at a Cincinnati Holiday Inn. As he relates in his autobiography, *Chasing the Dream*, he was at first mortified to express himself in front of a group of total strangers, but unexpectedly burst wide open—anxieties, childhood memories, and frustrations all tearfully spilling forth. "It was a life-changing experience for him," says Ali.

The following spring he carried a newfound sense of tranquility into what many considered an impossible job. Asked whether Torre should buy or rent a place in New York, Steinbrenner had responded, "Rent." Yet Torre conspicuously went about hanging pictures in his new office "like a man who had a lifetime contract," recalls Yankee PR chief Rick Cerrone. And when the team reached the World Series that fall—Torre had waited only 4,272 games, longer than anyone in baseball history, to get there—he clearly owned the place.

"I see Joe walk with an assurance now that I've never seen," says McCarver. "The difference between Joe now and Joe then is that Joe realizes now what other people realized about him then.... I mean, I was much more confident for him than he was for himself. [But back then] he didn't know it. He couldn't see it. You're locked into a vacuum—you're too busy with whatever baggage you brought to the dance." In other words, the very place Torre now tries to help his players avoid. "You got it," says McCarver. "It's almost like Joe doesn't want his players to have to go through some of the things mentally that he went through."

AS THE TEAM PREPARED to break camp in Florida to begin its 2001 campaign, the clubhouse mood was characteristically mellow. Centerfielder Bernie Williams distractedly strummed a guitar, while slugger David Justice took some practice swings amid the lockers. The retiring Dwight Gooden exchanged hugs and best wishes with teammates, while Christian Parker, a 25-year-old hoisted straight from Class AA baseball into the starting rotation, sprawled on a sofa and cracked up at *The Price Is Right*. Billy Crystal stopped by to take batting practice. Even Steinbrenner seemed relatively unbothered by the team's 9–20 spring-training record.

Yet most were quick to admit that this Yankees team lacked the depth of versions past: Despite stellar starting pitching, its patchy defense and advancing age will make a fourth-straight title one managerial trick indeed. "This may be the last year this core group is together," Torre said, noting the number of contracts (including his own) expiring after this year, "so we want to make the most of it."

Torre's most perplexing challenge this spring was Chuck Knoblauch, whose mysterious troubles making routine throws from second base to first had escaped the understanding of many Yankee fans. Yet to Torre, Knoblauch's problems were no mystery, but simply the psychic dimension of the game writ large. "He has been going to sleep at night thinking about throwing to first, waking up in the morning thinking about throwing to first," Torre said. "I mean, if you trip going down the steps once or twice and then start paying attention to every step that you walk down, you're going to trip again." Determined to keep Knoblauch in the lineup, Torre took the unusual step of moving him to left field, explaining, "I think maybe left field will help him come back to second base." Many doubted that prognosis. But as Torre said it, it looked as if he had all the patience in the world. F

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HOW TO MANAGE LIKE JOE

Perhaps the biggest challenge of being a baseball manager, as opposed to a corporate manager, is that you can't resort to baseball metaphors to motivate people. But many of Joe Torre's management principles do lend themselves to a business setting. Among them:

- **Ditch the motivational speeches.**
  Torre relies instead on frequent one-on-ones, which he uses to both monitor and regulate the psyches of individual players.
- **Be intense, but not tense.**
  Excess pressure keeps people from playing up to their natural ability, just as it saps creativity and confidence in the workplace.
- **Every employee must feel useful.**
  Even bit players can deliver big things, as when utility man Luis Sojo smacked the game-winning hit in last year's World Series finale. Torre reminds them of their importance.
- **Don't punish failure.**
  Torre stays loyal to slumping players, creating a kind of paradox: a high-performance workplace where failure is tolerated.
- **Manage against the cycle.**
  When a situation turns tense, Torre grows outwardly calmer; when things are going well, he turns up the heat.
- **Managing your employees means managing your boss.**
  Torre bears the brunt of owner George Steinbrenner's impatience, providing a buffer for his players.