



Arunas Chesonis

Chairman and CEO of PAETEC

*"Leadership is more doing than dash."
Peter Drucker*

Arunas Chesonis had his turning point a little later than most, but if the success he was to go on to achieve is any indication, he didn't suffer from the delay.

The real story of Arunas started when he was in college. Faced with the task of working in teams on sometimes seemingly impossible assignments, Arunas found that the success or failure of his ideas hinged primarily upon the people that he could convince to become involved with him, plus of course, if he was willing to put in the requisite hard work. It was a lesson gradually learned, and it wouldn't become fully cemented in his consciousness, it wouldn't become real to him, until a situation that he would face later in his career.

After college, Arunas went on to work with a telecommunications company known as ACC at a job that he found much to his liking. The managers were always open and straightforward with the employees, and Arunas had the freedom to speak openly with his co-workers and form the bonds necessary to achieve true, functional teamwork. However, these comparatively idyllic days weren't to last long.

In 1997, Arunas came to hear that mega-conglomerate Teleport/AT&T was planning to buy out ACC and take over

operations. At first, he was excited about what such a prospect might mean, but he became severely disillusioned with how things were handled in reality. He would approach the incoming managers to question them about what policies they would be changing, who they intended to keep on, and all manner of questions that were essential to his continuing to perform his job well. However, unlike his managers at ACC, Arunas found that the Teleport/AT&T managers weren't anywhere near as open with him. They refused to share information that Arunas considered critical, preferring to keep the books closed for no valid reason that he could see.

Furthermore, Arunas realized that the incoming managers were not sharing all the integration plans with his fellow employees. Arunas and the rest of the employees were shocked to find that Teleport/AT&T had not thought about the long term value of retaining ACC veterans. The final straw came when Arunas and his fellow officers at ACC found out that Teleport/AT&T was not interested in retaining their employment contracts. Arunas had had enough. He thought back to his days in college when he realized that successful teamwork was contingent entirely upon the people involved, much more so than the principles.

"You can think of an idea... but to make it happen, you have to really believe it, work hard at it and get the right people involved."

He realized that the people from Teleport/AT&T who had taken over ACC didn't share similar corporate philosophy. Furthermore, he realized that the good people that he was working with, the ones who were about to go their separate ways, were exactly the type who could easily get things done when called upon to do so. It was a once in a lifetime opportunity and Arunas was prepared to seize upon it. He decided to leave the company. He resolved to start his own telecommunications company and to create a company that shared the same values and beliefs that had helped make him successful.

He went over the company roster and handpicked the 75 people he felt would be the best to work with in his new company, PAETEC Communications. Wanting to make a dramatic impression, he wrote all of their names on a whiteboard in red, and when he would call these people to speak with them about joining up with him, he would show them this whiteboard. If they agreed to part ways with Teleport/AT&T and risk joining his new enterprise, he would erase their name and rewrite it in green. Arunas had originally thought he might get ten or eleven recruits at most and that this would be an ideal core to build a new business from. However, he underestimated the level of company-wide dissatisfaction. By the time he had finished negotiations, he had secured the services of 71 of the 75 people on his dream team list.

Thus prepared, Arunas and his group drafted a new business plan over the summer, directly tailored to compete against what they saw as the worst of the policies of others in the telecommunications industry. To put the matter simply, the main focus of the plan was simply to **“do the right thing” and treat people with respect as individuals**. After that, the plan was to raise money. Much like Arunas had anticipated, his group worked together with almost perfect synergy, and the plan they drafted was enough for them to quickly secure all the money necessary to get their company underway.

Of course, their rise was not without a small setback. Seeing the potential success of their competing plan, Teleport/AT&T tried to sue PAETEC to stop them from moving forward. The lawsuit only succeeded in bringing more publicity and attention to PAETEC, and people hungry for a different approach to the telecommunications game quickly signed on with them. After only 15 months, Arunas’s dream team company had raised 46 million dollars in equity, a success that nobody could ignore.

To this day, PAETEC remains an incredible success. Still, when asked how he feels about it, Arunas is quick to tell

anyone that success isn't a matter of business to him. Rather, it's a matter of how he's reached his success: namely, by focusing on people and always doing the right thing. Without this outlook, he says he wouldn't have any of the loyal employees and customers that he now enjoys, and without them, he would be nowhere. It is this focus on ethics and the power of individuals that formed the basis of his turning point, and that has also gone on to help him achieve the great success that he now enjoys.