Jack Creighton

When a major executive shakeup occurs, a director who has the uncommon knack for handling rocky situations is required. Jack Creighton fits the bill.

Last year, when Roger Beach, the former CEO of California-based Unocal announced plans to retire more than a year earlier than expected, Creighton got his cue. Unocal had both a new CEO and president sitting in the wings, but both officers, like the board itself, were caught off guard.

Creighton was tapped to fill the new position of non-executive chairman to help usher in the executive changes and lend his support to the new CEO. No one seemed better qualified. As CEO of Weyerhaeuser, Creighton had held the reigns of a company that, in many ways, is like Unocal.

But Unocal was not his only formidable challenge. At Weyerhaeuser, he gained the respect of labor representatives for fostering a cooperative air. He’s also known as a unifier on the unique and complicated board of UAL, parent of United Airlines.

“He orchestrated the change in command at Unocal and it barely caused a ripple, which is not easy to do,” says Gerald Grinstein, non-executive chair of Delta Airlines.

As the former Weyerhaeuser CEO, Creighton had the right experience for the new leadership position at Unocal. Like Weyerhaeuser, Unocal is a natural resources company that’s both cyclical and highly capitalized.

“The best way to characterize the help Creighton gives is as a safe discussion partner,” says Kevin Sharer, CEO of Amgen and a Unocal director. “He’s a confidante, someone to bounce ideas off of.”

Since stepping into the new post on January 1st, Creighton has been instrumental in helping the new management gel as a team, says Sharer. He’s helping the board sort out its alternatives and he’s actively making the company look good at investor meetings.

Although relatively few major companies have non-executive chairs—less than 10% by some estimates—the positions can be crucial in certain situations, says Creighton. Many CEOs frown on the arrangement, he says, because it can weaken a CEO’s power. But a non-executive chair can bring a different, independent perspective to the chief executive. This person can become a vital liaison between CEC and board, serving as a “safety valve” for tension.

“CEOs are increasingly being bounced. And when the CEO is also in the position of chair, things can get really bad before the board will act,” he says. But a non-executive chair can act as another line of communication with the CEO, and in some cases, “help a CEO change path and keep his or her job as a result.”
Creighton is a big believer in finding common ground. At Weyerhaeuser, he helped draw up a progressive set of labor relations rules. One agreed-upon tenet of the labor principles was that maximum profitability was beneficial to employees. “We also agreed that no matter what our differences, we would respect each other,” says Creighton.

John Peterpaul represented the machinists union and frequently worked with Creighton on collective bargaining. “When things were strained it was always Jack to the rescue. He’s a tough, but fair guy,” says Peterpaul, who also serves on the UAL board with Creighton. “He’s easy to talk to and swiftly gets to the point. To me, he’s really a refreshing manager.”

Creighton also opened the doors of communication with the community. In one program, Weyerhaeuser rented auditoriums in towns where it had large operations. At a 1996 meeting, Creighton and another senior officer spent about 15 minutes defining what they thought were major government and environmental issues facing Weyerhaeuser, as a major paper manufacturer. Then they opened up the microphone.

Up stepped one man, the “personification of a northerner,” says Creighton. The gray-bearded man, dressed in flannel shirt and laundered jeans, “looked us in the eye and said, ‘You are the most despicable company in the U.S.’” Teary-eyed, he charged Weyerhaeuser with damaging his land’s value, and accused it of bribing judges.

But in situations like this Creighton rarely defended the company, focusing instead on answering questions and correcting inaccuracies when appropriate. The existence of such gatherings—and Creighton’s interest in listening, as opposed to becoming defensive—illustrates the type of non-confrontational manner he brings to the boardroom.

But, far from weak-willed, Creighton is a prerequisite on UAL’s board. Of the 12 board members, some are elected by shareholders, some by unions and another by other employees, who in total own 55% of the airline. While Creighton’s name was suggested by the machinists union, he was chosen by the board’s committee that selects independent directors.

Creighton, who serves on the labor committee, “does a particularly good job in a situation like this one,” says Dick McCormick, a UAL director and former chair and CEO of US WEST, Inc. “Being on the UAL board,” he continues, “is not a place for neophyte directors to tread.” Instead, it is one where directors must balance several constituencies. “Jack does this very well.”

In UAL board discussions, Creighton plays a vital role. While he doesn’t talk the most, “he’s the person who listens best,” says UAL director and former Energy Secretary Hazel O’Leary. “He takes time to form an opinion. And then, when he gives advice, he does so in an extremely careful and respectful way.”

The ability to listen is also the trait most valued by Creighton’s Unocal colleagues: “For everyone—the management and the rest of the board—Creighton’s post as non-executive chair has been an ideal situation,” says Sharer. “Jack has the right combination of experience and judgment without doing the CEO’s job. He truly is a counselor and wise elder statesman.”

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