



# THE WALL STREET JOURNAL



Oil Fund Will Spur Industry

What's New

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# THE CHIEF

Brunswick's  
**KEVIN HELLIKER**  
profiles **PAUL  
STEIGER**, the  
most influential  
editor in modern  
America

**A**MONG THE JOURNALISTS THAT PAUL E. Steiger oversaw as Managing Editor of *The Wall Street Journal* are the current Editors-in-Chief of CNBC, *USA Today* and Reuters. Other former protégés of Steiger now hold top positions at Time Inc., *The New York Times*, Bloomberg and *The Wall Street Journal*.

“Steiger’s greatest legacy may be the people he developed,” says Kyle Pope, Editor-in-Chief and Publisher of the *Columbia Journalism Review*. Pope, of course, used to work for Steiger (as did the author of this article).

The subsequent success of his protégés owes a lot to the body of work they compiled under Steiger, who left the *Journal* 10 years ago. During Steiger’s 16-year reign as managing editor, his journalists won 16 Pulitzer Prizes. They also extended the paper’s dominant coverage beyond finance and politics to technology, healthcare, the arts and more. Under his guidance, the company also launched WSJ.com, now the industry’s premier subscription-based online news site.

The qualities that made Steiger so effective an editor are relevant for leaders in every industry, because who in the executive suite doesn’t want to get the most and best out of his workforce? That challenge is particularly critical in the newspaper industry, whose product is created anew day after day, its quality utterly reliant on the performances of its reporters and editors.

“Now that I’m running a newsroom, I think a lot about how Paul did it,” says Nik Deogun, Editor-in-Chief of CNBC and a former *WSJ* deputy managing editor under Steiger.

Insight into how Steiger inspired such excellence from his newsroom is offered here, from his former protégés, and from the editor himself. But first, a program note. The tradition of heaping honors on a retired mentor is noble, and potentially hyperbolic. It’s easy to praise a player who’s no longer in the game, no longer a source of power or competition. Even after you’ve surpassed a retired mentor, it’s easy to hail him as your superior.

But let’s be clear: no former protégé of Steiger’s would profess, even privately, to have surpassed him. It’s not just that next to Barney Kilgore, the long-ago creator of the *Journal*’s distinctive voice and style, Steiger ranks as the most influential managing editor in the 128-year history of the paper.

It’s that Steiger, upon leaving the *Journal* at age 65, didn’t retire. Rather, he turned entrepreneur and launched ProPublica, an investigative news outfit that he decided wouldn’t rely on advertising and subscription revenue. A nonprofit, it would subsist on charitable donations.

Good luck with that, right?

Ten years after its start, ProPublica boasts a list of donors that exceeds 26,000, up from a handful in 2007. This year, it will raise more than \$23 million, more than twice what it raised annually in its early years. Calming fears about the decline of investigative journalism in America, ProPublica has exposed innumerable cases of corruption, injustice and mismanagement in government and business, in the process winning four Pulitzer Prizes.

Although retired from an active role at ProPublica, Steiger at age 75 remains a powerful role model for protégés now deep into their fifties and sixties. “If you look at the top editors of our time, Steiger is alone at the top in terms of his ability to develop talent and his dedication to the

principles of journalism,” says Marcus Brauchli, who succeeded Steiger as the *Journal’s* managing editor before joining the *Washington Post* as executive editor.

Several virtues won mention in every interview about Steiger. He listened more than he talked. He invited dissent, and was willing to change his mind. He adhered to a management policy of public praise, private criticism. No matter how many others lost their cool during debates about important stories close to deadline, Steiger remained calm, never raising his voice. He somehow knew the strengths, weaknesses and biographies of the hundreds of journalists who worked for him – even if he sometimes struggled to remember names. (“I’m likelier to remember your alma mater than your first name,” concedes Steiger.)

Steiger had an extraordinary depth and breadth of knowledge about economic, corporate, political and scientific topics. And he used it to ensure that *Journal* stories provided the context necessary to clarity and fairness. “He always demanded that we tell readers not only what we knew but what we didn’t know,” says Deogun, the CNBC Editor.

Steiger liked impact. He cared less about incremental developments in ongoing stories than about scoops and investigative masterpieces. All editors will say that they want big stories from their reporters, but few will provide the necessary time and resources. When Jeff Bailey, a reporter on the waste-disposal beat in Chicago, proposed an exposé on corruption in that industry, Steiger ordered him to drop all his other duties until he’d completed that investigation. “He said he didn’t want to see my name in the paper until I’d finished it,” recalls Bailey, now Editor-in-Chief of *UCLA Anderson Review*.

**LIPMAN** For Joanne Lipman, Editor-in-Chief of *USA Today* and Chief Content Officer for its parent Gannett, Steiger brings to mind a quality not always associated with leaders: humility.

“Paul understood that the power resided with the institution. He didn’t fall into the trap of thinking it was all about him,” says Lipman. “He made sure none of us fell into that trap either. One of his favorite lines: ‘*The Wall Street Journal* was here long before we arrived, and it will be here long after we’re gone.’”

“When we beat a competitor,” she goes on, “he was adamant that he didn’t want to see any of us gloating; instead, it should be a reminder to be

even more vigilant so that this didn’t happen to us.”

He wasn’t shy about playing the Boss card, she recalls. “Paul would quietly listen to all sides. Then he would tell us his decision. If anyone objected, he would repeat one of my favorite Steiger lines: ‘This isn’t a democracy.’”

When Lipman joined the *Journal* out of college in 1983, its newsroom was largely older and male. She sometimes struggled to be taken seriously. “But when Paul arrived, that all changed,” she says. “He paid attention to the work, not the age or the gender or ethnicity.”

**BRAUCHLI** Easygoing, optimistic and charitable in his estimation of others, Steiger was anything but intimidating, recalls Brauchli, the former top *WSJ* and *Washington Post* editor who is now Managing Partner of North Base Media.

“He was personally modest, and infinitely willing to share and distribute credit, even beyond the walls of the newsroom,” says Brauchli. “He would find a reason to praise people on the business side for their work.”

Across the newsroom, a competition flourished to make Steiger laugh, “to unleash the Steiger roar,” says Brauchli. Desire also ran deep for Steiger’s approval.

“Journalists have an insecure streak,” says Brauchli. “Paul sought those people out. If they could impress him, show him they’d done something good, he was very generous with his praise. If you messed up, his criticism was never that sharp. It always came in the form of paternal disappointment.”

In a business driven by passion, Brauchli says Steiger showed him the value of controlling it. “He taught me that your mood need not fluctuate in public. Even-tempereness is a very hard thing to maintain.”

**ADLER** Steve Adler, now president and Editor-in-Chief at Reuters, was a top editor at the *Journal* when he received a competing offer, one that would have increased his pay but also the length of his already long workday. A short time after he told Steiger about the offer, the managing editor delivered Adler a handwritten note. At the time, Adler was the father of two preschoolers.

“Seeing more of your family counts a lot, particularly when your children are young,” said Steiger’s note to Adler. “This is a demanding place. But it cares about people’s lives, particularly about their family needs. It’s easy for others to say they



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*USA Today*

have such care; the *Journal* has proven it.” Adler turned down the competing offer.

**MURRAY** On September 11, 2001, Steiger was in his office when terrorists struck the World Trade Center across the street. Within moments, the *Journal*’s headquarters office had to be evacuated. After walking dust-covered uptown, uncertain whether the *WSJ* would manage to produce a September 12 edition, Steiger retreated to a friend’s apartment to coordinate *Journal* coverage across the world. By phone, he dispatched distinct teams of reporters to investigate the myriad threads of the still-unfolding tragedy. The edition that the *Journal* published that night wound up winning a Pulitzer Prize both for its quality and for the obstacles the paper overcame in getting it published.

Steiger leaned particularly heavily that day on Alan Murray, then chief of the *Journal*’s undamaged Washington bureau. Today, Murray is Chief Content Officer for Time Inc.’s portfolio of magazines. “What makes Paul stand out as a manager is his unquestionable integrity,” says Murray. “You always knew he was being straight with you. He never played games or had hidden agendas. And that example made us all feel compelled to act in the same way.”

**DEOGUN** Under Steiger, the *Journal* published high-impact investigative stories about powerful people, companies, healthcare institutions and colleges – many of which tried cowing the paper.

What gave reporters the courage to pursue such stories, Deogun recalls, was the assurance that Steiger would stand behind them. When the chief executive of a company skewered in a *WSJ* investigative story visited the newsroom to complain, Steiger invited the authors of the piece and its editor – Deogun – into the meeting. After the journalists produced materials to support every sentence in the story, Deogun recalls, “Steiger told the CEO that he was sitting in the very chair where Dennis Kozlowski had sat only a few weeks before, complaining about a story on Tyco. When Steiger told him that, the CEO turned white.”

Thanks in large part to evidence that the *Journal* uncovered, Kozlowski wound up serving a six-year prison sentence on a fraud conviction.

**STEIGER** After growing up on the East Coast, the son of an accountant, Steiger graduated from Yale in 1964 with an economics degree. His work as a *Journal* reporter in San Francisco won him an offer

from the *Los Angeles Times*, where after a stint as a Washington economics writer he became business editor. In an early sign of his eye for talent, he hired a young business reporter named Marty Baron, now editor of the *Washington Post* and the former editor of the *Boston Globe*. Lured back to the *Journal* in 1983, Steiger rose to the top job nine years later.

In an interview, Steiger says that for all the talent he displayed as a writer and reporter, “after becoming the *LAT*’s business editor, I found my top talent. It was for leading and managing. It didn’t happen overnight. When I started, I tried to rewrite everything. That was an obvious mistake. It chewed up too much of my own time, and it demoralized the staff. Better to talk in advance about the potential in the reporting and express what I hoped we could get. Better to be smart about which journalist was in which job, so that we had a winner who didn’t need much guidance. Better to have editing colleagues who could do such guiding as well as or better than I could.”

Of course, success can nurture its own difficulties, and eventually there swirled beneath Steiger a plethora of talented editors competing to succeed him some day. It helped that his closest confidants, Barney Calame and Richard Tofel, the paper’s standards editor and First Amendment attorney, didn’t aspire to the top job.

Even so, Steiger says, “The challenge was not as great as one might think. The *WSJ* had a powerful, powerful culture of collaboration. There of course was some sniping and maneuvering. One time I had to sit two people down together and tell them that if the sniping didn’t stop, I would fire them both. But that was rare. People genuinely liked and respected each other. There were passionate arguments but almost always out in the open, on issues of substance rather than personality, and people remained friends afterwards. Another thing that helped was that I worked hard to keep a wide age range among the key players, so there was less inclination for head butting between people at roughly the same ages in closely parallel jobs.”

Steiger has replicated his *Journal* success at ProPublica, where he started out as Chief Executive and now serves as Executive Chairman. Tofel, ProPublica’s President, says, “Everybody understands that this is a human capital business. Nobody ever took that more seriously than Paul did.”

**KEVIN HELLIKER** is Editor-in-Chief of the Brunswick Review and a former Pulitzer Prize-winning journalist for *The Wall Street Journal*. He is based in New York.



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**NIK DEOGUN**  
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