# We are in a Call 1988 With No Rules

**Tom Peters** 

# "We are in a brawl with no rules." - Paul Allaire, former CEO, Xerox

MANIFESTO. The word suggests a pointed view. (Rodale's *Synonym Finder*: Manifesto ... Proclamation. Declaration. Pronunciamento. Broadcast. Airing. Broadside.) And "Pointed View" is precisely the idea of this series of "booklets" – in what we call **The BRAWL WITH NO RULES Series.** Each booklet is an expanded chapter of my cornerstone day-long seminars. But I have chosen these topics for two particular reasons. First, I think they (1) are important and (2) present enormous opportunities and (3) are grossly neglected by most organizations. Second, I have a Radical Point of View about each one; you will find no half-way suggestions here!

For reasons unknown, I've long envisioned the Year 2000. And realized I'd be 57. An unthinkable age when the idea first surfaced.

The years passed. And lo and behold, I bizarrely found myself sitting down to write my *ForbesASAP* column on my 57<sup>th</sup> birthday ... 55 days before the magic Millennial shift. (Assuming you'll go for the 1/1/2000 date as the Real Thing.)

And sitting in Palo Alto ... home of the Millennial Tsunami called the Internet Age ... pretty clearly the Biggest Thing since Gutenberg.

So here's what you get ...

The meandering thoughts of a 57-year-old guy on his birthday ... alone ... in a Monumental Place ... at a Monumental Time. It's after 1/1/2000 as this appears ... but ... Good God ... WOW ... 2000!!! How can one not be all aglow about the good fortune of being around at such a transition?

Here's what I think, looking back on a half-century+ ... that's included World War II (I was born the day Ike landed in North Africa ... the start of the Big Comeback) ... the advent of TV ... Elvis (you should hear my rendition of You Ain't Nothin' But a Hound Dog) ... Lawrence Welk ... The Beatles ... *Neal on the Moon* (talk about Seriously Kewl!) ... 707s and 727s and 747s ... and Macs, PCs, DARPANet ... and the Web.

- 1. **HOW SWEET IT IS!** I routinely find myself shouting this during my seminars. It bursts spontaneously from my lips. I am so psyched to be around for "all this." Is it confusing? OF COURSE. Is it maddening? ABSOLUTELY. But how sweet *that* is! WE ARE RE-INVENTING THE WORLD ... FROM SCRATCH! WHAT A THRILL! (And a thrill of the sort no one's had for centuries.)
- 2. **WE ARE IN A BRAWL WITH NO RULES.** (Or: How Sweet It Is II.) Words to that effect were uttered by Xerox Grand Panjandrum Paul Allaire. YES, BROTHER! A BRAWL WITH ... *NO* ... RULES. We get to make it up as we go along. We are like the Cavemen. (I am routinely chided for using Capital letters. So be it. These are *Capital Letter Times* ... as I see it.)
- 3. **INCREMENTALISM IS INNOVATION'S WORST ENEMY.** (Or: How Sweet It Is III.) MIT Media Lab Guru Nicholas Negroponte gave us this one. AMEN! We (recently) worshiped at the Japanese-induced Altar of Kaizen/continuous improvement. The Word is a giveaway: These are ... clearly ... *Dis*continuous Times. Silicon Valley entrepreneurs are not in the "improvement game." THEY ARE IN THE DESTRUCTION GAME. PERIOD. They aim to Obliterate your industry. And ... they are doing just that. "I do not want to be 'the king of the tinkerers,' " one prominent financial services CEO intones. Again: AMEN.

- 4. HOLD ON TO YOUR HAT, BABY! WE AIN'T SEEN NOTHIN' YET! Fact: WE'RE GONNA LOOK BACK ... TEN YEARS FROM NOW ... ON "ALL THIS" CONVERSATION ABOUT THE FIRST PICOSECONDS OF THE COMMERCIAL WEB-INDUCED BIG BANG ... AS SO PEDESTRIAN. What's coming is going to make "all this" look so timid. Unlike many of my ASAP brethren, I'm not a dewyeyed technophile. I'm just "this guy" ... age 57 ... "watchin' all this stuff." Read Ray Kurzweil's The Age of Spiritual Machines. Or ... whatever. Listen, as I did, to a presentation by SmithKlein Beecham Chief of Science and Technology Dr.George Poste. WHAT'S COMING ... FOR SURE ... AND SOON ... IN THE WORLD OF THINKING/FEELING MACHINES AND BIOTECH ... WILL MAKE TODAY SEEM SOOOOOO MELLOW. (No kidding. And 57 is too old to be snowed.)
- 5. IT IS EASIER TO KILL AN ORGANIZATION THAN CHANGE IT SUBSTANTIALLY. Technomaven Kevin Kelly gave us this one. And Harvard B. School main man Clayton Christensen plays the same tune. (Intel's Andy Grove is a Christensen devotee.) In short: WE ARE ... ARGUABLY ... OR INARGUABLY ... IN THE "BEYOND CHANGE" ZONE. (Whatever that means.) A Dell or Amazon or Schwab arrives in your neighborhood ... and to fight back means to d-e-s-t-r-o-y what you've patiently built over perhaps decades. So-called "learning organizations" are the rage. But Visa founder Dee Hock rightfully reminds that *forgetting*, not learning, is the real and fiendishly difficult trick.
- 6. **S.A.V.** If we are indeed in a Brawl with No Rules, then ... as I see it ... there is ... literally ... and virtually by definition ... only one possible "strategy." To wit: *Screw Around Vigorously*! Nike says *Just Do It*. And exec-on-speed Ross Perot called it *Ready. Fire! Aim.* (Any number have claimed paternity of the phrase.) Michael Schrage has just penned what I think is the best book ever on innovation. Title: *Serious Play.* The Big Idea: Don't let any grass grow between your toes. Try something. Anything. Now.
- 7. **REMEMBER HENRY KAISER!** Back in the 30s it took the Big Shipbuilders years to put together a freighter. Then West Coast upstart Henry Kaiser got into the game. Built his first Liberty Ship in 240 days. Soon he built one in 9 ... days. And then, in a contest between two of his shipyards, a ship was cranked out in ... 4 days, 15 hours, 29 minutes. (No baloney.) So ... how does your current project stack up against the norm ... by the Kaiser Standard?
- 8. **REWARD EXCELLENT FAILURES. PUNISH MEDIOCRE SUCCESSES.**That compelling phrase is the credo of Australian exec Phil Daniels. And I have fallen madly in love ... with the idea. One big-time financial services CEO was visibly shaken by this formulation. "So many of our information systems projects," he said, "start out with a bang; yet I know they won't amount to more than 'mediocre successes.' " (Yikes.) (P.S.: another exec's mantra: *FAIL FORWARD FAST*. Again: Amen.)

- 9. **DEATH IS ONLY ONE OF MANY WAYS OF DYING.** This formulation from explorer Alvah Simon, in his book *North to the Night*. Speaking ... again ... as a 57-year-old ... I have a recurrent nightmare. A tombstone epitaph that reads: Thomas J. Peters, 1942 ????, *I WOULDA DONE SOME REALLY COOL STUFF* ... *BUT MY BOSS WOULDN'T LET ME*. Or, as the great philosopher Lucille Ball put it, "I'd rather regret the things I've done than the things I have not."
- 10. **THINK "WORLD BOOK."** Okay ... I admit it ... I've got an epitaph fixation. (Call it Birthday Blues plus Millennium Madness.) When I was a kid we had *The World Book* encyclopedia at home. I remember that a President's time in office would be summarized on a single page. E.g., during Eisenhower's two terms, Hawaii and Alaska entered the Union. Very Big Deal. (If not quite the Louisiana Purchase.) So ... I wonder ... what my World Book page will look like. Do you? E.g.: *WILL WHAT YOU'RE WORKING ON NOW BE WORTH BRAGGING ABOUT ... TO YOUR GRANDCHILDREN ... 30 YEARS FROM NOW?*
- 11. ACQUISITIONS ARE ABOUT BUYING MARKET SHARE. OUR JOB IS TO CREATE MARKETS. THERE IS A BIG DIFFERENCE. That one, as I recall, came from Reuters CEO Peter Job. No matter who said it: RIGHT ON ... PER ME. Almost all the Big Mergers leave me cold. I see them as defensive maneuvers last gasps among the lame and the halt. THESE ... UNIQUELY ... ARE TIMES FOR ... CREATION. Period. No?
- 12. EVERY SCHOOL WAS PARTICIPATING IN A CONSPIRACY TO SUPRESS CREATIVE GENIUS. Former Hallmark creative exec Gordon MacKenzie wrote one helluva book ... Orbiting the Giant Hairball: A Corporate Fool's Guide to Surviving with Grace. He says that kids enter school with scads of creativity. And: We systematically drive it out. I agree. And ... I think it's a national tragedy. (Made worse by the school reform movement's penchant for uniformity and standardization and certification.)
- 13. WHAT IT TAKES TO MAKE THE HISTORY BOOKS. Think King. (Dr. Martin Luther King Jr.) Churchill. Gandhi. De Gaulle. Copernicus. Kepler. Mozart. Picasso. Steinem. (Gloria.) And what comes to mind? Focused. (Insanely.) Committed. (Insanely.) In deep "spiritual" touch with their followers. Quirky. Obstreperous. Creative. Persistent. (To the point of obnoxiousness ... and way beyond.) In the Establishment's face. (All the time.) Lots (and lots) of enemies. So ... is that short list ... a good description of the folks in your Accounting or IS Dept.? If not, why not? If it's good enough for the history books the Ultimate Hall of Fame why isn't it good enough for "our place"? FIND WEIRDOS ... COMMITTED BEYOND THE REALM OF THE REASONABLE. HIRE THEM. NURTURE THEM.
- 14. **WE ARE IN A GREAT WAR FOR TALENT.** Century 21: Age of the Great War for Talent. Period. Talent = Wealth. Period. It's the word ... according to Tony Blair. And Cisco CEO John Chambers. He is in the talent acquisition mode. ALL THE TIME. He's an acquirer. Says he buys companies ... typically start-ups ... to get the

best talent ... working on tomorrow's products ... at a price of \$2 million or so per engineer. Just like the NBA! The Blair-Chambers dogma will rule! "Talent" is a fabulous word ... a million miles from "employee" ... or the enlightened "associate."

- 15. WE DO NOT WANT TO BE MERELY THE BEST OF THE BEST. WE WANT TO BE THE ONLY ONES WHO DO WHAT WE DO. So said The Dead's Jerry Garcia. And so say I. We are becalmed ... cool stuff going down around us notwithstanding ... in a Sea of Sameness. From retail ... to professional services ... to Web sites. To stand out ... TO BE THE ONLY ONES WHO DO WHAT WE DO ... takes guts. Soooooooooooo? (For starters, listen to Tom Chappell of Tom's of Maine: "Success means never letting the competition define you. Instead you have to define yourself based on a point of view you care deeply about.")
- 16. **PONY UP!** Speaking of "best of the best" ... my software pals report that the truly gifted programmer is 1,000X better than an "average" programmer. (One informant says 10,000X better!) If Kevin Brown's cowhide spheroid hurling skills are worth \$100 million+ to the Dodgers-Fox ... then pay Ms. 10,000X Programmer her full due! It is The Age of Talent. Reward accordingly!
- 17. **THE HELL WITH McNAMARA!** "Body Count Bob" McNamara epitomized the passionless approach to management that got us into very hot water by 1980. (See the pre-*In Search of Excellence* classic ... "Managing Our Way to Economic Decline" in the *Harvard Business Review* in 1980.) I've devoted my career following two tours in Vietnam to one thing: *PUTTING PASSION BACK INTO BUSINESS*. Call me ... *THE PATRON SAINT OF TECHNICOLOR*. The Rise and Rise of Silicon Valley has been my confirmation. See Michael Lewis' wonderful *The New New Thing*. Talk about the Passionate Pursuit of Tomorrow!
- 18. **YOU MUST CARE.** Army General Melvin Zais said it. He persuasively claims it's the first requirement of a great commander. Harvard's Sara Lawrence-Lightfoot has just given us a truly great book ... with a one-word title. Namely: *RESPECT*. The most effective leaders ... who move masses ... identify with the privates as much as the generals ... the parish priests as much as the Red Hatted Cardinals. And the American psychologist William James said that the deepest human need is ... *THE NEED TO BE APPRECIATED*. In ten years of writing a weekly syndicated column, I got by far the greatest response to the one I dashed off about the Power of ... thank you notes! Yes ... it's cyberworld. *BUT THE HUMAN TOUCH* ... at least for now ... *COUNTS. MIGHTILY*.
- 19. A SENSE OF HUMOR RULES! A big-time headhunter says it's the first thing he looks for. The great adman David Ogilvy looked at it from the other end of the telescope: He counseled firing the merchants of doom and gloom. THESE ARE FREAKY TIMES. IF YOU CAN'T MANAGE A GOOD BELLY LAUGH AFTER YOUR NEXT STUPID MOVE ... there will be many ... YOU ARE IN FOR A ROUGH RIDE!

- 20. **PUT YOURSELF AT RISK ... EVERY DAY!** So sayeth the spunky former Texas governor, Ann Richards. It's axiomatic: *IF YOU ARE NOT WILLING TO RISK YOUR BEING ... EVERY DAY ... THEN YOU ARE NOT COMMITTED TO CHANGE THAT FLIES IN THE FACE OF THE ESTABLISHMENT*. (And what other kind of change is there ... in Y2K?).
- 21. **I WANT TO BE THOROUGHLY USED UP WHEN I GO.** Slightly paraphrased, that's the sentiment of George Bernard Shaw. Author Emile Zola put it this way: *IF YOU ASK ME WHAT I HAVE COME TO DO IN THIS WORLD, I WHO AM AN ARTIST, I WILL REPLY, I AM HERE TO LIVE MY LIFE OUT LOUD.* Amen.
- 22. IF THINGS SEEM UNDER CONTROL, YOU'RE JUST NOT GOING FAST ENOUGH. "The Word" according to race driver Mario Andretti. And the Final Word ... according to me.

Good luck!

### **Tom Peters' MANIFESTOS2002:** The BRAWL WITH NO RULES Series

WE ARE IN A BRAWL WITH NO RULES. We are RE-INVENTING THE WORLD ... from scratch! WHAT A THRILL! (And a thrill of the sort no one's had for centuries.) We are in a BRAWL WITH NO RULES. We get to make it up as we go along. I am so psyched to be around for "all this." Is it confusing? OF COURSE. Is it maddening? ABSOLUTELY. But how sweet *that* is!

THE WORK MATTERS! White Collar Work – 90+% of all work – will be totally reinvented in the next 10 or so years. GET WITH THE PROGRAM ... OR GET RUNOVER. Strategies: (1) Turn "Departments" into full-fledged, for-profit "PSFs" – Professional Service Firms. These "PSFs" become, in turn, the primary engines of company value added through the accumulation of intellectual capital. (2) Turn all "the work" into no-bull WOW! PROJECTS. Projects you'll be bragging about 10 years from now! (3) Encourage every "employee" to pursue a spicy Brand You strategy – creating a Unique & Valuable Identity that's worth a fortune to the employee & the company. (This booklet is the basis for our three book "Reinventing Work" series: *The Professional ServiceFirm50* ... *The Project50* ... *The Brand You50*.)

IN SEARCH OF EXCELLENCE: A THREE-GENERATION REPORT CARD. In Search of Excellence marks its 20th anniversary in 2002. I aim to "beat the press" in terms of commentary. My chosen vehicle: a three-generation look. That is, I look at 1982 (the book's pub date) ... and 20 years back (mgt. practice, circa 1962) ... and 20 years forward (mgt. 2002). It was fun to write – and I hope of some small use.

THE DEATH KNELL FOR "ORDINARY": PURSUING DIFFERENCE. "We" have gotten (lots) better at everything. But so has "everybody .else." "Excellent" products &services are quickly becoming "ordinary" and thence "commoditized." This MANIFESTO summarizes 9 powerful strategies for combatting Creeping & Ultimately Fatal Commoditization. (Several of these strategies are the subject of separate MANIFESTOS below.)

WOMEN ROAR: THE NEW ECONOMY'S HIDDEN IMPERATIVE. The evidence is clear! (1) WOMEN ARE BETTER LEADERS THAN MEN (under the conditions of the New Economy). (2) WOMEN ARE THE WORLD'S BIGGEST MARKETOPPORTUNITY (BY FAR) ... and are wildly underserved. The stakes amount to TRILLIONS of dollars. ("The" answer, incidentally, is not "target marketing"; it is the much deeper Target Innovation.) Our story: WOMEN ROAR. WOMEN RULE. Believe it! (And ... Damn Few "Get It" ... even in 2001. WHADDANOPPORTUNITY!)

<u>DESIGN MINDFULNESS.</u> "It" works (understatement) for SONY. And APPLE. And GILLETTE. And BMW. And WALT DISNEY. And BODY SHOP. And BLOOMBERG. "It" = An Abiding Passion for DESIGN. Design turns out to be the Principal Reason we LOVE or HATE something ... "product" or "service." Hence, design is the Hidden Engine powering the Brand Promise. So ... WHY DO SO FEW PAY (OBSESSIVE) ATTENTIONTO IT? Again, the potential payoff is humongous.

GETTING WEIRD & STAYING WEIRD: CREATING & MAINTAINING THE HIGHSTANDARD DEVIATION ENTERPRISE. Standard Deviation is a statistical measure of Weirdness. Companies that will thrive in Weird Times will systematically adopt Weird Practices. That is: Hang With Weird Customers & Suppliers. Recruit & Promote Weird Talent. Appoint Weird Boards. Etc. Etc. Innovation is "easy": Force yourself/organization into Constant & Intimate Contact with The Weird Ones! (It is that EASY!)

THE HEART OF BRANDING. BRANDING IS EASY. (And, of course, impossible.) Forget clever marketing programs. And compelling logos. And Big Bucks Advertising. They're all important, but the icing on the cake. The cake itself is an unswerving & crystal-clear answer to some "simple" questions: WHO ARE WE? HOW ARE WE (no bull) UNIQUE? WHY DOES IT MATTER? WHO CARES? IS IT COMPELLING ENOUGHTO VAULT 1000s OF EMPLOYEES OUT OF BED IN THE MORNING? Branding That Matters is difficult (KNOW THYSELF!) and simple (KNOW THYSELF!).

THE CASE FOR "BRAND INSIDE": IT'S THE "ORGANIZATION," STUPID! Brand Inside Rules! Few businesses fail for want of a Great Strategy. Or Soaring Vision. Most businesses that fail (99 percent?) do so because of lousy execution. Any idiot can write a strategic plan. Pulling it off is an entirely different matter. You need Execution. That is, the PEOPLE. The politics. The systems. The culture. The character.

<u>TALENT!</u> There's an All-out War for Talent. WINNING? Easy! Like Branding: Easy... and impossible. WINNING THE ALL-OUT WAR FOR TALENT DEMANDS ...FIRST AND FOREMOST ... AN ABIDING OBSESSION WITH TALENT! NFL Franchise-variety. Ballet Company-style. (TALENT-IS-ALL!) Provide Awesome OPPORTUNITIES. PAY Incredibly Well. Pursue DIVERSITY. Seek out THE STRANGE ONES. Honor YOUTH. Etc. Talent Am Us ... or We Ain't Serious. PERIOD. (P.S.: Talent= The Brand ... over the long haul. OBVIOUS. Right?)

BOSS-FREE IMPLEMENTATION OF STM/STUFF THAT MATTERS! Forget the "power-less-ness" CRAP! (Try that Sob Story somewhere else! Gandhi ... and King ... and de Gaulle ... were NO SHIT POWERLESS ... and Changed the World!) THE Success Secret: Recruiting often "powerless" but always passionate allies ... who will play with you

and try out your seriously-cool-but-untested ideas. And "Sign Up." I call it:F2F/K2K/1@T/R.F!A. That is: Freak to Freak. Kook to Kook. One at a Time. Ready.Fire!Aim. Enemy No.1: An epitaph that reads: HE WOULDA DONE SOMEREALLY COOL STUFF ... BUT HIS BOSS WOULDN'T LET HIM. Our Hero? Michelangelo: THE PROBLEM IS NOT THAT OUR AIM IS TOO HIGH AND WE MISS IT, BUT THAT IT IS TOO LOW AND WE HIT IT. (Whoops.)

WEB WORLD: THE 100% SOLUTION ... NOW! Key term: 100%. Others know more than I about The Web. But I have developed an Unshakeable & Radical Point of View: THE WHOLE NINE YARDS. OR NOTHING. Taking lessons from Schwab, GE, Oracle, Cisco ... I assiduously believe that you must convert ... ALL ACTIVITIES TO THE WEB(internal & external affairs) ... or risk losing the business. Message: THE WEB AIN'T AHALF-WAY SORTA THING! (P.S.: Potential = UNLIMITED. For the BOLD.) (DREAM BIG. DREAM BOLD. Or, skulk off ... stage left!)

### PSF UNBOUND: THE (TOTAL) VICTORY OF THE PROFESSIONAL SERVICE

FIRM. I/we have written extensively about the "Professional Service Firm Model." I/we have seen it as a way to save one's soul (or at least one's job) in the face of the Coming White Collar Tsunami. Fine. But ... there's a Bigger Picture. Hewlett-Packard offered \$18 Billion for PricewaterhouseCoopers consultants. Making a "great box" was not enough. My contention is that the "internal" "professional services" will – quickly – become The Engine of Value Creation. In damn near any firm. To be sure, the Internal PSFs will have to join together to create value; but, still, it is their world. Period.

## EDUCATION AND THIRD MILLENNIUM WORK: WE'VE GOT IT DANGEROUSLY

<u>WRONG</u>. Education for the Third Millennium ... undoes everything we've done in education for the last 100 or so years. Our "system" works. Or, rather, worked. It turns out docile – sit in your seat, Tommy – "products" (humans) perfectly fit to spend 40 years in a Ford Model T plant. And perfectly unfit to be part of the new Brain & Productivity-based Economy!