

Tom Peters' Manifestos 2002: The BRAWL WITH NO RULES Series

Getting Weird & Staying

Weird

Creating & Maintaining
the High Standard Deviation Enterprise

Tom Peters

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“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!

Case closed. It is a time of wild, gyrating change. Will be for the foreseeable future. How do we deal with it as leaders? My answer: Mostly, “we” don’t. I.e., forget “planning your way to success,” or some such. Instead, we purposefully surround ourselves with a full house of interesting folks and interesting partners with interesting ideas – and then let bloody-ole-Darwin (in the form of the marketplace, internal and external) “automatically” sort it all out.

“Crazy Times Call for Crazy Organizations” was my perhaps too-clever-by-half book title a few years ago. Now, I finally think I know what I meant. Namely: the “High Standard Deviation Enterprise.” “Standard Deviation” is a formal statistical term that measures *variation*, the *average difference* from the mean among a set of observations. Variation/difference is the spice of life. (Literally.) Standard deviation is a/the formal-statistical measure of “weirdness.” (*A “Weirdness Index,” perhaps? High = Good, a lot going on. Low = Bad, same-old, same-old.*) And for survival today – in a decidedly spicy & weird world – we need lots of variation ... turmeric and garlic and mace and coriander, sprinkled (doused?) liberally on ourselves and our organizations ... if we/they are to merely survive, let alone thrive.

The Basic Premise

Here’s how I encapsulated “all this” in a recent presentation:

*Nothing worries me more than renewal. Personal. Organizational. My conclusion: **TO RENEW IS TO “GET WEIRD.”** That’s what I’ve come to believe. It’s almost that simple. No bull! Have lunch with the **SAME PEOPLE** you “always have lunch with” ... and you won’t grow an iota. This entire essay is, in a [very important] way, no more than an extension of ... **GET WEIRD, LUNCH WEIRD.***

I hate to say innovation is “simple.” It isn’t. Or is it? I’ve long claimed I know how to be Secretary of the Treasury of the United States ... just not how to be a good CEO. As Secretary of the Treasury, it’s up to me to keep the cauldron boiling; that is, I don’t run any business, but I create the conditions and climate for businesses to be created and grow and compete energetically. Available money. A soil (national, regional, corporate culture) that enables entrepreneurial, risk-taking behavior to sprout in volume. (The messier the times, the greater the volume and rate of entrepreneurial “tries” one – nation, region, corporation, and individual – needs.)

Now I’m beginning to think that innovation in the organization is also “that simple.” Forget “methods” to innovate. Think, instead, of fertilizing a fallow field. And ... the more wildflowers the better!

What follows are Ten Strategies for “Getting Weird,” or ten steps for creating the High Standard Deviation Enterprise. Whatever! To wit:

1. **Pioneer (WEIRD) Acquisitions**
2. **Pioneer (WEIRD) Customers and (WEIRD) Alliance Partners**
3. **“Divide & Conquer” (Break it up!)**
4. **Pioneer (WEIRD) Assignments/Pioneer (WEIRD) Projects**
5. **Hire WEIRD/Train WEIRD/Pay WEIRD/Promote WEIRD/Select a WEIRD Board**
6. **Weed Un-weird**
7. **Hang Out with WEIRD**
8. **R.A.F. (Ready. Aim. Fire.) to R.F!A. (Ready. Fire! Aim.) to F!F!F! (Fire! Fire! Fire!)**
9. **Sense of Humor (Rhapsodize Over Thine COOL Failures)**
10. **Re-enforce a “Permanent Culture of Disrespect”/Passionate Piracy**

PLEASE! DO NOT THINK OF THIS AS A “TEN-STEP METHOD” FOR CONSTANT REVITALIZATION. I REPEAT: **IT IS NOT A METHOD.** OR, IF IT IS, IT IS AN ANTI-METHOD METHOD. IT IS TEN STRATEGIES (OR TACTICS, IF YOU WISH) FOR “AUTOMATICALLY” KEEPING THE ORGANIZATION AT A BOIL.

“Learning Organization” is the “hot item” these perilous days. But ... I’m not so sure! ***“The problem,”*** says Visa founder and management guru Dee Hock, ***“is never how to get new, innovative thoughts into your head, but how to get the old ones out.”***

Hock’s remark is, well, profound. “Readin’ some new stuff,” “Goin’ to trade shows” ain’t enough. How do we – literally – rout cherished beliefs, the basis for our success in the past? Answer, melodramatic though it sounds (and is): by throwing baby parts out with the bath water! Strong medicine is required to purge yesterday’s principles, and, yes, yesterday’s winners, too. (Just ask a sports franchise General Manager about his aging stars, heroes to millions of fans ... whose time has come ... and gone. Hey, I’m a diehard San Francisco 49ers fan. I well remember letting go of Roger Craig, Ronnie Lott, then ... ye gads ... Joe Montana. And, more recently, Jerry Rice.)

The goal of this presentation: strategies to help us ***forget***. (Smart aleck that I am, I keynoted a big-deal “eLearning” conference ... and entitled my Speech, “Creating the **eForgetting** Organization.”)

Fact: Organizations have long memories. L-O-N-G! I was a Navy man, and proud of it; but there is an old Navy joke, not particularly funny, that the Navy’s well-documented slowness to change is due to the fact that many of our esteemed admirals still think that Navy founder John Paul Jones is alive and kicking ... and looking over their shoulders.

Wayne Burkan gets it! His *Wide Angle Vision* is simply a terrific book. Burkan provides a beautiful prescription for ... forgetting. He claims the secret for mastering tomorrow lies in glomming on to today's misfits:

Disgruntled customers.

Upstart competitors.

Rogue employees.

Fringe suppliers.

My take: Though some of this has been said ("listen to your angry customers"), the essential idea – *used as the centerpiece of overall enterprise revitalization strategy* – is a gen-u-ine original. AND POWERFUL!

"Enormous sums of money are invested to reduce cycle time, improve quality, re-engineer," Burkan writes. "Much of this money is simply wasted. This waste is due to companies' inability to develop wide-angle vision and tap into the power of the edge. Corporate consciousness is predictably centered around the mainstream. The best customers, biggest competitors, and model employees are almost exclusively the focus of attention."

This is forceful, counterintuitive language. And spot on. Fact: Most of our efforts go into polishing yesterday's shiniest apples – not into looking for the wildflowers that might prosper tomorrow. Is Burkan – or I – literally suggesting that we forget, say, the Six Sigma quality discipline learned so painstakingly over the last dozen years? Mostly, no. Of course, superior quality is of the utmost importance. *But!* What about a world – today's world! – where everyone is providing decent quality? It doesn't mean that we ignore quality. It does mean that superb quality, or a sleek, "re-engineered" business system, is no longer enough. Not nearly enough.

Focus – concentration on the one what brung ya' – has its (great) value. But so does ... in wobbly times ... planned un-focus. Burkan claims that fighter pilots, for example, are specifically *trained to un-focus* ... trained to be attuned to the peripheral, the unexpected, the strange. (Since reading his book, I have observed a couple of Secret Service agents ... and it is intriguing – assuming no shades! – to watch their fluttering eyes.) This presentation, then, is devoted to translating "splatter vision" – lookin' for weird – into practical steps for you and me and our organizations.

Learning's close kin is the popular discipline of benchmarking. Problem: Benchmarking, consistent with Burkan's take on things, also usually focuses on "obvious" "good" "role models." **Mark Twain** pegged this one, with his usual panache, eons ago:

"The best swordsman in the world doesn't need to fear the second-best swordsman in the world. No, the person for him to be afraid of is some ignorant antagonist who has never had a sword in his hand before. He doesn't do the thing he ought to do, and so the expert isn't prepared for him. He does the thing he ought not to do, and often it catches the expert out and ends him on the spot."

When I first read Twain's remarks, I commented to a colleague that I thought it was the best analysis I'd seen of IBM's nose dive in the mid-80s. It's not that IBM wasn't focused on the competition. But, rather, following the collapse of Detroit in the face of Japanese excellence, IBM focused on the (obvious and indeed ominous) likes of Japan's Fujitsu and Germany's Siemens. Apple, Microsoft – and then thousands of others – snuck up on IBM via the side door. (Pity that IBM hadn't had better “splatter vision” training. Eh?) (And, ye gads, talk about a frighteningly spot-on “analysis” of the events of 11 September 2001.)

1 . Pioneer [Weird] Acquisitions

Oops!? Tom Peters, avowed public enemy of acquisitions, pushing acquisitions?? Yes! That is, if they're strange enough (splattered enough?) to revitalize the acquirer, and even push the acquirer's “corporate culture” in a new direction.

But ... let's start at the start. My take on “standard” big acquisitions is perfectly captured by consultant and business professor Mark Sirower. “When asked to name just one big merger that has lived up to expectations,” Sirower writes in *The Synergy Trap*, “Leon Cooperman, former co-chairman of Goldman Sachs' investment policy committee, answered, ‘I'm sure that there are success stories out there, but at this moment I draw a blank.’ ”

Okay, then, my high horse is still a rockin'. I indeed remain an enemy of mergers ... between Sluggish-Bulky I and Sluggish-Bulky II. As Sirower suggests above (and via a ton of supporting data analysis), Sluggish-Bulky I + Sluggish-Bulky II just doesn't work on the P&L. (About 80% of the time, most respected studies conclude.) And, worse by far, the post-merger systems- and culture-blending effort sucks up incredible resources and time better aimed at innovation.

Enter former Reuters CEO Peter Job. “**Acquisitions,**” he declares, “**are about buying market share. Our challenge is to create markets. There is a big difference.**” Amen! Brilliant! Creation! That's the ticket. Bravo, Mr. Job!

PLEASE RE-READ THE ABOVE SEVERAL TIMES!

Cisco Systems takes top honors in the *acquire-to-innovate* category. Over half of Cisco's \$20B+ in revenue comes from ... acquisitions. The non-secret: They're mostly small or medium-sized. “Our ideal acquisition,” CEO John Chambers asserts, “is a small start-up that has a great technology product on the drawing board that is going to come out in 6 to 12 months. We buy the engineers and the next generation product.” Some have labeled it “buying in R&D.” (I guess, in the spirit of this presentation, I'd call it Buyin' Weird. Or Increasing Variation-Standard Deviation.) CEO Chambers sometimes also calls it buying top talent. (At one point he said he was purchasing experienced, innovation-tested engineers at \$2 million to \$3 million a pop!)

Bigger Point I: Chambers does enough of this so that the large influx of “novel” talent changes the very nature of Cisco over time. Just as – and what an appropriate and powerful analogy –

wave after wave of immigrants have fundamentally changed America and kept it fresh. America is the “playground” to which these immigrants bring their skills and previously thwarted drive – legally or illegally. Then the immigrants, three or four generations later, become the professional and political establishment. Whoops! Time for more “messy” immigrants.

Bigger Point II: If you’re gonna acquire weird, you’d better – as Cisco does – have a damn-near-fool-proof protocol for absorbing all this Cool and New and Awkward Talent. Indeed, Cisco prides itself on its extremely low turnover, relative to the industry post-acquisition norm, among those talented engineers.

Bigger Point III: Talk about w-e-i-r-d. One serious analysis of the AOL and Time Warner marriage suggested that Time Warner CEO Gerry Levin tried and tried and tried to transform his company into a Web-inspired enterprise. Time Warner’s highly resilient and bizarrely political corporate culture resisted all efforts. Ultimately frustrated, Levin arranged to sell himself ... sell “big” Time Warner to “little” (but cool) AOL. Idea: Little Weird, now owner, would overcome the old, entrenched Time Warner culture and thence transform Big Unweird + Little Weird into Mega-weird. Sadly, regardless of who’s the senior partner on paper (AOL in this case), it’s statistically far more likely that Weird will lose the Culture Wars and become Unweird ... hence creating yet another Mega-boring. (See GM and EDS, for one unhappy example.)

The “acquire weird” strategy is, then, tricky (so’s life, alas) but powerful. The key: **Acquire Seriously Weird. Welcome Seriously Weird’s execs into the inner sanctum. By hook and by crook, hold on to Seriously Weird’s Seriously Weird Stars. Then pray.**

2. Pioneer [Weird] Customers & Alliance Partners

Is this all as obvious to you as it is (or has become!) to me? Cool customers prod us to go to cool places. (Think Apple and ad agency Chiat/Day in 1985.)

Dull customers make for dull Jacks + Jills + Yous + Mes. So, too, every other “alliance partner” – ad agency, software vendor, steel supplier.

Duh??!

We are adrift in a sea of (more or less excellent) sameness. “**The ‘surplus society,’**” write Swedish business professors Kjell Nordström and Jonas Ridderstråle, “**has a surplus of similar companies employing similar people, with similar educational backgrounds, working in similar jobs, coming up with similar ideas,**

producing similar things, with similar prices and similar quality.” “While everything may be better,” asserted *New York Times* cultural guru Paul Goldberger, **“it is also increasingly the same.”** (His comment keynoted a lead story on retail, titled “The Sameness of Things.”) **“If you worship at the throne of the voice of the customer,”** says Bentley College president Joseph Morone, **“you’ll get only incremental advances.”** **“These days,”** adds Doug Atkin, partner at the marketing services firm Merkley Newman Harty, **“you can’t succeed as a company if you’re consumer-led – because, in a world so full of so much constant change, consumers can’t anticipate the Next Big Thing. Companies should be idea-led and consumer-informed.”**

Bottom Line on the (v-e-r-y consistent) above: Slavishly listen to “mainstream” customers ... and you’ll drift towards the DCD ... Dullest Common Denominator. That’s a tune I’ve heard in every industry imaginable. Cars. Financial services. Computers. Software. Retail. Big Five Accounting. You name it. Sometimes I summarize it as the **“10X – 10X phenomenon”** ... everything these days is 10 times better, yet 10 times less different. In any event, the problem is huge. (It’s the ultimate *Why Bother?* behind this presentation.)

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Over the years, I’ve featured perhaps 50 companies in my various PBS TV documentary specials. Nypro just may be my favorite of the lot. For sheer nerve. The Clinton, Massachusetts-based firm is in the rather grubby injection-molded plastics industry, one of about 4,000 such U.S. companies, and one of 40,000 worldwide. A dozen years ago Nypro decided to march up the value-added chain, big time. They adopted so-called six-sigma quality practices, unheard of in the industry, invented an exceptionally intimate and integrated way of partnering with their biggest clients, and sought out an entirely new client base that could appreciate their newfound prowess. Per the message of this section, they, in effect, *fired* the lion’s share of their dreary current customer base and vigorously pursued stellar firms such as Abbott Labs, J&J, and Gillette, with an entirely new product-service-experience package. The rest, to use the cliché, is history. Unprecedented worldwide growth and profitability followed ... all based, to the point of this section, on the bizarrely bold and brave decision to dump the ones what brung ’em.

* * * *

Though not simple to execute, the idea *is* simple. “There is an ominous downside,” writes Wayne Burkan, “to strategic supplier relationships. An SSR supplier is not likely to function as any more than a mirror to your organization. Fringe suppliers that offer innovative business approaches need not apply.” (Redux: AMEN.) Fabulous language from Mr. Burkan. That is, what holds with “biggest” customers also holds with “strategic” (read biggest) suppliers. That giant “strategic” supplier-partner has one goal in life relative to you ... *sucking up*. Don’t expect to hear awkward news very regularly. P.S.: Awkward = Life-saving (in “awkward” times ... which these surely are).

Redux: ***“Companies have defined so much ‘best practice’ that they are now more or less identical.”*** Yet another confirmation of the pernicious “similar movement” ... this one from Danish marketing and branding phenom Jesper Kunde. Mark Twain would smile at this one, don’t you think?

If there’s a Mantra for The HSDE/High Standard Deviation Enterprise, it comes courtesy Nordström and Ridderstråle, in *Funky Business*: ***“To succeed we must stop being so goddamn normal. ...***

Normal = Nothing.”

There is nothing I could add to this pithy quote. Except ... **AMEN.**

And on to Hewlett-Packard CEO Carly Fiorina: “We make over three new product announcements a day. Can you remember them? OUR CUSTOMERS CAN’T!” Ms. F. lays this heavy trip on her own company. If it comes from HP ... you know the quality is good. You’d also know, if you followed the company at all, that HP has dramatically shortened its time-to-market cycle. That is, new products are coming faster. And the quality is great. But/and ... the customers still can’t tell them apart. Wow!/Yikes!

P.S.: Sounds like an engraved invitation to ... ***The High Standard Deviation Enterprise Ball!***

So ... FIND THOSE FREAKS. ***“Future defining customers,”*** asserts Mercer Consultants’ Adrian Slywotzky, ***“may account for only two percent or three percent of your total, but they represent a crucial window on the future.”***

So ... ***I AM SUGGESTING THAT YOU ASSIGN A FORMAL “WEIRDNESS SCORE” TO YOUR CUSTOMERS AND VENDORS.*** Perhaps the scale is 1 to 10 [1 = Big But Boring; 10 = Wild, Woolly, Wacky & Weird.] Quite simply, determine how many vendors and customers end up in the 7-10 range. *Measure* the number in that bucket ... over time. Perhaps, to take Slywotzky literally, there ought to be a special bucket for, say, ***Top Ten Weirdos.*** In any event, make sure that the “weird” bucket is full!

3. Divide & Conquer (Break It Up!)

BIG SUCKS! Well, that’s a little harsh. How about: *Big is rarely on the cutting edge.* Thence my suggestion ... break it up! That’s what Richard Branson religiously does at his perpetually feisty Virgin group. When a business reaches a certain size, somewhere in the neighborhood of 50 people, Branson breaks it up ... even if there is no “market logic” for doing so. He figures anything much bigger is automatically on its way to becoming a bureaucracy. (In an earlier

incarnation, I did a pretty careful study of studies on this topic. Somewhere between about 50 people and 300 or 400 turns up, in many arenas, as the optimal size for perpetual freshness.) Maybe Branson is a secret beekeeper. Huh? “Since merger mania is now the rage, what lessons can the bees teach us?” asks David Lascelles, Co-director of the UK’s Centre for the Study of Financial Innovation. “A simple one: Merging is not in nature. [Nature’s] process is the exact opposite: one of growth, fragmentation and dispersal. There is no megalomania, no merging for merging’s sake. The point is that, unlike corporations, which just get bigger, bee colonies know when the moment has come to split up into smaller colonies which can grow value faster.”

In *Funky Business*, Kjell Nordström and Jonas Ridderstråle come at this idea in an equally original fashion. “What if [renowned former head of strategic planning at Royal Dutch Shell] Arie de Geus is wrong,” the authors wonder, “in suggesting [in *The Living Company*] that firms should aspire to live forever? Greatness is fleeting and, for corporations, it will become ever more fleeting. The ultimate aim of a business organization, an artist, an athlete or a stockbroker may be to explode in a dramatic frenzy of value creation during a short space of time, rather than to live forever.”

Fast Company took up this same issue in a provocative cover story, “Built to Last vs. Built to Flip.” The problem with built to last [the title of a best-selling book by Stanford B. School professors Jim Collins and Jerry Porras] is that it’s a romantic notion,” *Fast Company* claims. “Large companies are incapable of ongoing innovation, of ongoing flexibility. Increasingly, successful businesses will be ephemeral. They will be built to yield something of value – and once that value has been exhausted, they will vanish.” Think, then, of the innovative organization as a Tiger Woods. He comes on the scene. He changes golf. And at the end of, perhaps, a 25-year career ... he, in effect, retires. Golf (or whatever) gets better-different as the result of a series of Bobby Joneses, Ben Hogans, Jack Nicklauses, Tiger Woodses. No one of them “lasts.”

Business strategist Gary Hamel (the best there is, as I see it) has ended up in about the same place. He suggests three strategies to improve the odds of perpetual vitality:

(1) **“Sell by.”** Every business unit, Hamel says, should have a “sell by” date, in the sense of retail. Perhaps he’s not being literally suggestive here, but he has a brilliant point. In fact, the (honorable) likes of 3M and Hewlett-Packard and Corning recently have sold off original company stand-bys ... so as to enhance their focus on a new tomorrow. (There is arguably no other sure-fire approach, at “proud” companies, to staying fresh?????)

(2) **Spin Out.** So you’ve got a couple of real hot shots with a bizarre new business idea. They plan to leave. (And nothing you can say will stop them.) Hey, that’s life. But ... why not invest in them? And, perhaps, a couple of years from now, buy them back if they’re successful or bring them back on the payroll if they have a setback. (It’s all in the ... High Standard Deviation Family! And, incidentally it’s an approach favored by Cisco Systems’ CEO John Chambers.)

(3) **Spin In.** This is the Cisco strategy of purchasing young, vital firms ... and hoping that they will not only bring you new, innovative business ... but will also change you in

fundamental ways in the process. A halfway house, favored by the likes of Intel and Oracle, is to run your own venture fund, that takes stakes, but less than full control, in intriguing start-ups. (Intel has hundreds of such positions, and billions in such investments.)

* * * *

Call it The Cortez Strategy applied to Business2001. Cortez landed in Mexico, and headed inland, bent upon conquest. The going was tough and it was almost a certainty that some, if not all, of his soldiers would mutiny, and head back for the boats. How do we keep people from invariably gravitating back towards the apparently safer past? Answer: ***BURN THE BOATS!***

(I'd guess that Gary Hamel would agree.)

* * * *

Beneath all this lie the very taproots of growth. In a word: **CHURN**. We Americans are the envy of the planet on at least one score ... our exceptional ability to create excellent new jobs ... by the millions. For example, we created 29 million net new jobs between 1980 and 1997. The European Union, about 35 percent larger than we are in population terms, was able to eke out only four million net new jobs during the same period, and virtually all of those were in the public sector.

What's the American secret? Obviously the issue is complicated, but there is one factor that I believe tops the list; and it's represented by two simple equations:

$$\begin{aligned} +29\text{M} &= -44\text{M} + 73\text{M} \\ +4\text{M} &= -0\text{M} + 4\text{M} \end{aligned}$$

Though we didn't do it with maximum humaneness, we surged ahead in the good-jobs-creation race via ... **DESTRUCTION**. We destroyed 44 million jobs – at the likes of GM, Chrysler, Ford, AT&T, IBM, Sears. And offset those with 73 million new jobs at Dell, Cisco, Microsoft, Genentech et [many!] al. The Europeans, on the other hand, didn't have the gumption to blow things up ... and thence ended up creating very little.

Innovation is about ... Brownian motion. Or churn. We Americans are ... Planet's Best Churn Artists.

My contention: What holds for the Global Economy also holds for the 26-person finance department, or the 23,000-person corporation. It's all about, in the immortal words of the great economist Joseph Schumpeter ... ***THE GALES OF CREATIVE DESTRUCTION.***

Or: ***It's variation, stupid!*** That's the whole point of this booklet. If we could develop a scoring algorithm that allowed the Secretary of the Treasury to, at birth, predict who the next Microsoft would be ... well, then, we could invest in teenage Billy Gates, and save a lot of money (i.e., not invest it in Osborne and other failed computer start-ups). But that wasn't Darwin's point. To the contrary. If you "Get a lot of stuff goin' on" ... then some of the weird mutants may turn out to be perfect fits for the emerging times. **PERIOD.**

As *Wired* founding editor Kevin Kelly puts it, the secret to progress is ... **inefficiency**. Again: GET A LOT GOIN' ON. SOME COOL SHIT'LL PROBABLY HAPPEN. Again (and important): This holds as much for the portfolio of projects in the 87-person IS department as it does for an economy as a whole. (Hint: An IS ... whatever ... department is a full-blown "micro-economy.")

* * * *

Fast Company reported on this exchange between Silicon Valley marketing guru Regis McKenna (RM) and integrated-circuit inventor and Intel founder Robert Noyce (RN):

RM: "A lot of companies fail in the Valley."

RN: "Maybe not enough fail."

RM: "What do you mean by that?"

RN: "Whenever you fail, it means you're trying new things."

Bottom line: To try and fail is glorious! **THE MORE THE MERRIER! ESPECIALLY IN THE MADCAP '00s.**

* * * *

Fabled urban planner Jane Jacobs, writing in her magisterial *The Death and Life of Great American Cities*, said that cities serve their (creative) purpose when they are a mess ... shops next to homes next to business start-ups and lofts next to ... whatever. She called all of this creative brew-chaos Exuberant Variety. (*And she never failed to capitalize the "E" and "V".*)

She contrasted **E**xuberant **V**ariety with the product of the urban planners who created, among other things, the public housing fiascos of the 50s. What they gave us ... WITH THEIR INSTINCTIVE BENT TOWARDS HOMOGENEITY ... was what Jacobs tagged the Great Blight Of Dullness. Oh, how I love those terms: EXUBERANT VARIETY ... **G**REAT **B**LIGHT OF **D**ULLNESS.

Likewise, Nobel Laureate (economics) and fanatic free-market champion F.A. Hayek said that the magic of capitalism is ... the mess. Or, per his favorite term ... **the spontaneous discovery process**. Again: (1) Get a lot of stuff going on. (2) Some of it, by accident, and if and only if the volume is high enough, is very cool. (And we can't predict what will be cool ahead of time.) (3) Invest like hell in the Cool Mutants.

Hint: All of this adds up to the (ironclad) case for the High Standard Deviation Enterprise.

4. Pioneer (WEIRD) Assignments/ Pioneer (WEIRD) Projects

“High Standard Deviation” and you/me. Again, in an odd way, it seems so s-i-m-p-l-e in retrospect: **SEEK OUT COOL PROJECTS. TURN DULL PROJECTS INTO INTERESTING PROJECTS. FIND COOL PARTNERS TO WORK WITH ON YOUR PROJECTS. DO THE ABOVE 100% OF THE TIME. Q.E.D. (IMAGINE THOSE “COOL PROJECTS” AS THEY’LL LOOK IN YOUR C.V.)**

And ... lo and behold ... you will “automatically” be renewed by the (*strange*) company you keep and by the (*strange*) problems on which you are working.

The alternative obviously: Work on dull projects ... even if they are very “prestigious” ... and Jack/Jill/Tom Peters soon becomes a dull boy/girl/management guru.

The pursuit of the ideas in this section arose from hearing a constant refrain at my seminars ... especially from those who were a bit younger and formally somewhat less “powerful.” “Your stuff is great,” they’d say (thanks), “but it really doesn’t apply to me. I’m not a [senior middle manager/vice president/respected professional].”

My view: **Rubbish!** Most revolutions are started by the young ... who have no sense about what they *can’t* do. In June 2000, at one of my seminars, I heard this coming from my mouth: **“This is all I know in the world!”** That’s a little extreme, but here’s what I meant: I’ve worked hard and studied hard; I try my best (increasingly difficult ... perhaps hopeless!) to keep up. But the subject of this section comes from 35 years of experience. From bridge-building in Vietnam. To starting a (mostly unwanted!) “movement” at staid McKinsey & Co. ... which led to *In Search of Excellence*. The ideas here are ones that I will stake my personal reputation on.

Yes, in a way, again ... it’s all so simple. One strategy! ***Only one strategy!*** I call it the **“4Fs”** ... or ... **F**ind a **F**ellow **F**reak **F**araway.

You’re somewhat powerless, somewhat junior. You’ve got a cool idea. Take it to your boss? **Never!** (Definition of the word “boss” is ... “representative of the establishment-current way-of-doing-things.” Right?)

Instead, at a company meeting, or in an exchange of emails, or via some little bulletin in a divisional newsletter, you find someone who appears sympathetic to your (odd) way of looking at things. (Financial reporting ... recruiting ... a customer-sensitive business process.) In a perfect world, she runs a little operation ... hundreds, if not thousands, of miles from the headquarters where you labor in a minor staff position.

The two of you get together in the health club. Over beers. Wherever. You find common interests relative to this “incredibly cool (odd) idea” that’s gnawing at you. She says, “***I’ll volunteer to be your playground! You can try [this new financial reporting process, this new training course] with the 62 people in my Divisional IS Department [216-person telemarketing center, etc.]. We’ll give it a shot. We’ll have some fun with it.***”

No alternative, as I see it. ***Find a playmate.*** Out of view of headquarters. Powerless is fine and dandy. Passion for the (odd) idea and willingness to play is what counts. (Forget the Big Cheese until later, much later, when the idea is somewhat proven.)

Hint: The half-dozen things I’m most proud of in my life, including the work that led to *In Search of Excellence*, followed this process. Exactly.

Bottom line: “It” ... is ... the World’s ***Biggest*** Waste. That is: Wasting time making endless presentations and selling a largely unproven idea “Up the chain.” It’s almost no exaggeration to say that no boss [remember, representative of the current way we do things around here] has ever been convinced of a “cool” [deviant, by definition!] idea based on pure intellectual argument.

Forget it! (Please!)

Instead: One! ***ONE!*** Recruit one friend. In the boondocks. Flip off the hierarchy. Have fun. Work with that friend to run a quick and dirty test. Gather some data. Twist and tweak the idea a little bit until you start getting it right.

Then: Have that friend (or yourself), based on the accumulating evidence, find another friend. ***Play with the new friend. (FRIEND #2)*** Hey: Start a “movement.”

Forget selling up! ***Surround the bastards*** ... with *proven demos* and *fanatic supporters*. (***WOW Wins-in-the-Boondocks***, per me.)

My shorthand: ***K2K! F2F! 1@T! R.F!A.***

Kook to Kook. Freak to Freak. One at a Time. Ready. Fire! Aim.

Playmates seeking each other out ... playing with an exciting idea ... gathering nuggets [tests, demo wins]. Building the network. Pirates! Revolutionaries! Misfits!

* * * *

Now we cheat, and put the boss’s hat on. Not the big boss, but the boss of the half-dozen [or 10-, 20-] person unit. How do you/boss “invest in R&D”? Your group is too small, you insist.

Never! Seek out that cool young woman or young man ... with the zany ideas for doing things differently ... and passion a mile wide and a mile deep.

Use your [boss's] network. Help that turned-on person to find someone in *your* network who might be inclined to play with her/him.

I call it the “micro-skunkworks strategy.” The skunkworks idea, practiced by many innovative companies: Fuel a little conflagration, somewhere out of sight, and get the pot boiling. Then ... let 'er rip!

* * * *

So: When do we start? NOW! Any – ***any!*** – task will do. It's a nugget: something-anything to play with. ***Now.***

I'm far too old to be wearing rose-colored glasses. But I do believe that opportunity is ... literally ... ALWAYS ... waiting. It hides in any small task ... viewed the right way.

Our shorthand for all of this: the VFCJ Strategy. VFCJ? It's obvious, isn't it: ***Volunteer For Crappy Jobs.***

For instance ...

You volunteer for it! People think you're nuts! What is it: “honcho-ing” the dreaded Memorial Day Employee & Family Picnic. People hate to go to it. B-o-r-i-n-g. *Always* a drag.

Or perhaps you get “volunteered.” So ... go through the motions? ***Or ...***

Or ... turn it into a gem! ***Damn it: Isn't it true that the Dreaded Memorial Day Employee & Family Picnic could be a unique opportunity to celebrate the care and effort that the 86 people in the distribution center/telemarketing operation give to their clients day in and day out?***

Again: Don't you dare accuse me of wearing rose-colored glasses! I believe that most extraordinary accomplishments come from turning something mundane into something very cool. The rest of the trick/secret: The task is so unwanted and unloved ... that nobody is watching ... and you can do what you damn well please ... even if you are very junior and “powerless.” Why: ***Nobody is watching!***

Same idea. You get “volunteered” for [or you volunteer] for updating the departmental/unit safety manual, given some new regulations by a federal or state safety agency.

Once more: Go through the motions? “Get it out of the way”? Or: ***a stealth opportunity to address the War for Talent via a thoroughgoing review of how safety and environmental issues contribute to making ours a Great Place to Work?***

Does that sound farfetched? If it does ... ***YOU JUST DON'T GET IT.*** (Sorry.)

The third of three (little/**enormous**) examples: “Fix the bloody customer problems that have cropped up with the new 2783B device”? Or: A chance to work with a hotshot, young department head on using the Internet to re-visit the whole process of how we get customer input – before, during and after the fact – into the heart of the Product Design Process?

Again: ***IT ALL BOILS DOWN TO (YOUR) ATTITUDE!***
(Right?)

I call all this the “Reframer’s Rules.” It’s the centerpiece of my book, *The Project50*:

Rule #1: Never accept an assignment as given! As illustrated above, any job – crappy or not – can be twisted and turned into something of importance.

Rule #2: You’re never so powerful as when you are “powerless”! When you do become officially powerful, everybody is watching every move. On the other hand, when you volunteer for that crappy job, and you are a junior person ... well, ain’t nobody watching. *Go for it!*

Rule #3: Every “small” project contains the entire enterprise DNA! *This was the most important finding we made in our research for my book:* Inside that “crappy picnic” is the enterprise’s fundamental/“cultural” attitude towards its work force! So too, the updating of the safety manual, and the problems with the newly-introduced machine. (“Get them fixed” ... or use them as the thin end of a thick wedge that deals with the fundamental organizational assumptions about customers and the way we treat them, and involve them in the product development process?)

Think about it: ***There really is no such thing as “small.” There is only small-mindedness ... and limited imagination.***

One more (big) thing: Until I wrote my own book on projects, I used a Golden Oldie for my training and consulting activities around this topic. A 30-year-old classic, written by a union and Civil Rights organizer: Saul Alinsky’s ***Rules for Radicals.***

I am proud of one thing above all others in *The Project50* book: It’s the first project “management” book written, as far as I can tell, that has a major section on ... ***SALES.***

Whether you’re Saul Alinsky, or Martin Luther King Jr., or Gandhi, or Roosevelt or George W. Bush, getting your projects done is ... first and foremost ... about ... ***SELLING.***

Want that new business-process reengineering project to go well? Try Alinsky’s old-fashioned principles of Community Organizing ... with vendors and, above all, users. Sell them! One at a time! Forever!

Wanna make a difference? We were put here on earth, brother/sister, to ... s-e-l-l.

So you need the updated, e-World version of Alinsky's *Rules for Radicals*. Fine: Are you, in fact, a ... **Viral Enthusiast?** Have you cornered people in the hall, the e-hall, or wherever, and **inflamed** them about your idea? Have you added **one more Fellow Freak** (a seriously High Standard Deviation Dude!) to your follower's list ... this week ... today?

It's dead, flat simple: **Love & Weird** *make the world go round!* Or, at least, love & weird are the things that get you to work early tomorrow morning: your absolute passion for changing the way (*totally dumb-ass*) we do things around here, starting with that new weekly reporting scheme. If you're IPW (*In Pursuit of Weird*), you're going to take a lot of slings and darts and arrows. You're going to be beaten, *and* battered, *and* bruised. (How else would you know that it's worthwhile?) (Think Washington's troops at Valley Forge. Think MLKjr in jail.) And ... you won't stand for that beating and battering and bruising ... *unless you are in love and at least a little strange* ... unless this project truly matters to you.

Message: Find something you can sink your teeth into, something you can imagine bragging about ... five years from now. The point is the passion, as leadership guru Charles Handy puts it.

Think about it:

**The greatest danger
for most of us
is not that our aim
is too high
and we miss it,
but that it is
too low
and we reach it.**

-Michelangelo

Fortune magazine provided a list of the "most admired global corporations." It dug beneath the voting by global execs, and sought out the commonalities amongst those who made the list ... and those who didn't. The latter labeled "also rans."

In short, the also rans were **Classic LSD** [Low Standard Deviation] in their approach to life. Namely: "Minimize risk" ... "support the boss" ... "respect the chain of command" ... "make budget." (Aargh!)

The feisty former Texas Governor, Ann Richards, translates all of this into advice for you and me:

SHOW UP. It's a variation on the old Woody Allen line, "Eighty percent of success is showing up." (And, Amen!)

KNOW YOUR STORY. That WOW Project you're about to undertake needs to have, at its core, a Seriously Cool Story ... worth taking many a risk to pursue.

PUT YOURSELF AT RISK EVERY DAY. And speaking of risk ... you haven't lived unless you've lived on the edge ... per Ms. Richards. (And ... Michelangelo ... and those *Fortune* pollsters who identified the Best and the Bums.)

It *really* is this simple. (I'm sorry, I said it again): **IF YOU ARE NOT IN PURSUIT OF WOW (HIGH STANDARD DEVIATION) PARTNERS WITH WHOM TO PERFORM WOW (HSD) PROJECTS ... THEN THE HORRID EPITAPH, FEATURED BELOW, IS YOUR LOT:**

Joe J. Smithers
1942-2001
He Woulda Done
Some Really Cool Stuff,
But His Boss Wouldn't "Approve"

(Too bad, Joey.)

I am exhorting you to do cool stuff, but not because of some quasi-religious view of the Life Well Lived. My reason is more coarse: ***Survival!*** I've said, in many other forums, that I honestly believe that 90 percent of white collar jobs, as we know them today, will disappear or be transformed beyond recognition within the next decade or so. (As I write this, there are rumors that GE will announce 80,000 layoffs ... due mainly to efficiencies achieved in white collar processes via the full and effective use of the Internet for conducting internal affairs.)

A recent MIT study concludes that most of us will be in the independent-contractor, non-full-time mode within just a decade. Dan Pink's brilliant book, *Free Agent Nation*, reaches the same conclusion.

Our mindset must change ... immediately! There are no guarantees ... of a job for life ... or perhaps even the next five years. (Or ... 16 months.)

The new reality? Try this on, from Thomas Malone and Robert Laubacher, writing in the prestigious *Harvard Business Review*:

"The fundamental unit of such an economy is not the corporation but the individual. Tasks aren't assigned and controlled through a stable chain of management, but rather are carried out autonomously by independent contractors – e-lancers – who join together into fluid and temporary networks to produce and sell goods and services. When the job is done, the network dissolves and its members become independent agents again, circulating through the economy, seeking the next assignment."

Even if we/you/me don't become "e-lancers," we need to *behave* like e-lancers ... if we're to survive on somebody's/anybody's payroll. (It brings to mind my old pal, from fiction, Travis McGee. The John D. MacDonald character lived on a boat, independent as hell. He had a "hidey-hole" where he kept his stash of \$\$\$\$\$. When the pile thinned, he'd seek another assignment. I guess, in retrospect, that my man McGee was just a 21st-century dude, ahead of his time.)

The *coup de grace*, or Main Philosophic Statement, is offered by the Very Reverend Michael Goldhaber, writing in *Wired*:

"If there is nothing very special about your work, no matter how hard you apply yourself, you won't get noticed, and that increasingly means you won't get paid much either."

Self-explanatory. And one hell of a difference from the last 125 years. *Right???*

Bring On WEIRD! I have called "it" Brand You (and written a book about it ... *The Brand You50*). In the end, it's about having a tale to tell. And ***WANTING*** to tell it. Accomplishments you can brag about. (Braggables = Weird = High Standard Deviation. Right? By definition?) (We don't brag about same-old, same-old. Right?) "You are the storyteller of your own life," writes novelist Isabel Allende, "and you can create your own legend or not." So: *Yes*. (Legend.) *No*. (Same-old, same-old.)

5. Hire WEIRD. Train WEIRD. Promote WEIRD.

Again: This is largely self-evident. Find weird. (Talent.) Surround yourself with weird. (Talent.) And the odds are that you'll get a little bit more weird. That's what this all boils down to. Or, more specifically in this instance:

Recruit WEIRD.
Hire WEIRD.
Train WEIRD.
Pay WEIRD.
Promote WEIRD.
Appoint a WEIRD Board.

"When land was the scarce resource, nations battled over it," write Stan Davis and Chris Meyer in *futureWEALTH*. "The same is happening now for talented people." In short, we are in the opening moments of a Great War for Talent. Talent, by definition, is peculiar. Peculiar ...

meaning *way* above average ... standing *way out* from the crowd. Talented people are often a pain to be around. They've got their own views about the way things should be done. And that's exactly the point. (Why do you think Cisco Systems' CEO John Chambers spends all those billions of dollars buying High Standard Deviation Engineers?)

GE Chairman Jack Welch was famed for saying that if a business didn't rank first or second in its marketplace ... it ought to be sold or extinguished. Ed Michaels, heading McKinsey & Company's War for Talent project, says that the new world order will change that famous Welch dictum. The replacement: "*Best talent in each industry segment to build best proprietary intangibles.*"

Strong language! (And exactly right, in my opinion.)

E.g.: Home Depot made the decision a couple of years ago to quintuple in size, to \$100B, in a short period of time. Seven major initiatives were to lead the way. The leaders of those initiatives? Then-CEO Arthur Blank said ... simply ... that he wanted the ... ***BEST PERSON IN THE WORLD*** ... to be in charge of each of these activities. For example, he dug deep into his wallet to steal (recruit) the COO of IKEA to head Home Depot's fledgling international expansion activities.

Best in World, by definition, is about as High Standard Deviation a strategy as one can get! Wow! Talk about uncompromising language: BEST PERSON IN THE WORLD. The ultimate in High Standard Deviation Enterprise strategy!

Find them. Recruit them. Give them enormous leeway and opportunities. ***And pay them.*** This is what High Standard Deviation personnel can do: An average manager of a corrugated-box plant will add \$1 million to the company's bottom line. Traditionally, Georgia-Pacific paid such a person \$110,000, with a \$60,000 performance bonus on top. On the other hand, a genuine star box-plant manager will typically bring \$3-4 million to the bottom line. So Georgia-Pacific's Steve Macadam decided to go for the top talent ... *and pay for it.* The base was raised from \$110,000 to \$135,000, and the expected bonus bumped up from \$60,000 to \$90,000. One hell of a return on investment: an additional \$2-3 million to the bottom line per plant ... in return for \$55,000 in additional pay and bonus! (Bigger picture: Using this "weird talent" approach, Macadam boosted profits at 40 corrugated-box plants, 20 with new managers, from \$25M to \$80M in just two years.)

Obviously, the specific formula is not universal. The idea, on the other hand, is. ***There are people who are a hell of a lot better than other people ... at throwing baseballs, shooting baskets, running box plants ... and these (peculiar) people should be vigorously sought out, given every opportunity to perform their (peculiar) act, and rewarded accordingly.*** It's an across-the-board High Standard Deviation Talent Attitude, as I see it.

Ditto from Yahoo! founder Jerry Yang: “We value engineers like professional athletes. We value great people at 10 times an average person in their function.”

More WEIRD. The shift to the New Economy is, to a significant degree, a children’s crusade. Or, at least, a young women’s/men’s crusade. “They’re brilliant, ambitious, and almost intuitively gifted at technology,” said *Brill’s Content* in an article titled “The Rise of the Teen Guru.” “A new generation of whiz kids are gaining unprecedented power and authority.” *The Economist*: “Why focus on these late teens and twenty-somethings? Because they are the first young who are both in a position to change the world, and are actually doing so. For the first time in history, children are more comfortable, more knowledgeable and more literate than their parents about an innovation central to society. ***The Internet has triggered the first Industrial Revolution to be led by the young.***” TP Weird Talent Message: *Seek out those High Standard Deviation teens!*

DIVERSITY WRIT LARGE IS THE EPITOME OF/DEFINITION

OF HSDE. [High Standard Deviation Enterprise.] MIT Media Lab guru Nicholas Negroponte pegs it: “Where do new ideas come from? That’s simple! From differences. Creativity comes from unlikely juxtapositions. The best way to maximize differences is to mix ages, cultures, and disciplines.” Exactly.

This (WEIRD) idea taken to the max. From *Wall Street Journal* reporter G. Pascal Zachary: “Diversity defines the health and wealth of nations in a new century. Mighty is the mongrel. The hybrid is hip. The blemished, the rough, the black-and-blue, the mix-and-match – these people are inheriting the earth. ***Mixing trumps isolation. It spawns creativity, nourishes the human spirit, spurs economic growth and empowers nations.***”

WOW! Re-read the above. Read it a third time. *Diversity = Economic Growth*. Could it be that simple? Perhaps not. But almost: Diversity rules! How Technicolor is your unit’s/company’s rainbow??? Don’t fudge on this.

New Economy Message: ***Homogeneity Sucks!!!***

Speaking of diversity. (We are.) Speaking of the New Economy. (We are.) Here is perhaps the New Economy’s Secret #1: *Women bring skills to the leadership table uniquely matched to New Economy requirements*. It’s simple. In the words of a *BusinessWeek* special report: “**AS LEADERS, WOMEN RULE.**”

“On average, women and men possess a number of different innate skills,” writes Helen Fisher in *The First Sex: The Natural Talents of Women and How They Are Changing the World*. “And current trends suggest that many sectors of the twenty-first-century economic community are going to need the natural talents of women.”

At this point, women's ascension to the top few ranks of large corporations is still minimal. (Pathetic, really.) Perhaps this is pathetic for social reasons. It is clearly pathetic for ... Talent Reasons. That is, we face a talent shortage. We have the/a very big answer. **Women.**

(For my full-scale rant on this topic, see the companion booklet, *Women Roar.*)

And ... yes ... more weird redux redux. Love this bumper sticker, from a Northern California psychiatrist's car: ***IT'S THE CRACKED ONES THAT LET IN THE LIGHT.*** Or, in the immortal words of the late adman, all-round guru David Ogilvy: "Our business needs a massive transfusion of talent, and talent, I believe, is most likely to be found among non-conformists, dissenters and rebels." As I said at the outset of this essay on WEIRD, I've just figured out what the title to an earlier book meant ... *Crazy Times Call For Crazy Organizations*. In "cracked" times ... we need the "cracked ones" to let in the new light. That's what David Ogilvy said, quite a while ago. The difference this time: *We need the cracked ones in Finance and HR and IS and Purchasing and Engineering and Operations ... as much as in*

Marketing and Advertising. Yet another [simple, yet important] variation on our "High Standard Deviation" theme. ***Right?***

I have studied the studies on, for instance, sources of entrepreneurial behavior. In short: Entrepreneurial behavior is foreshadowed by prior entrepreneurial behavior. The effective entrepreneur, age 36, was doubtless the 7-year-old who was organizing the kids on the block to do a lemonade-stand bit.

So ...

If nothing a little weird shows up in a resumé by age 26 ... then, statistically speaking at least, it's not likely to show up by age 66. If you want to find predictors of intriguing future behavior, look to signs of it [***pretty damn clear signs!***] in the past.

* * * *

I was privileged a couple of years ago to be a keynote speaker at the annual convention of the NAESP; that is, the National Association of Elementary School Principals. I told the folks there, about 5,000, that I thought they were the most important people in America. I meant it. *And then I raised a little hell with them. The logic went like this ...*

"What," I said, "is the ultimate hall of fame [and, to be sure, shame]? It's pretty clear ... the history books." History books represent some sort of a societal consensus (as usual, African-Americans, women, etc., are under-represented) about those who have made the biggest differences in our long march. In the arts. Music. Science. Politics. Social Change.

Let's weed out the jerks, and look at the positive role models. Those in your daughter's 10th grade history book, whom we so dearly want our young Janies and Johnnies to emulate. What can we say about them, Gandhi-King-de Gaulle-Newton-Steinem-Picasso-Mozart et al:

Committed!
Determined to make a difference!
Focused!
Passionate!
Irrational about their life's project!
Ahead of their time!
Paradigm busters!
Impatient!
Action obsessed!
Made lots of people mad!
Flouted the chain of command!
Creative!/Quirky!/Peculiar!/Rebellious!/Irreverent!
Thrive on chaos!
Bone honest! (To a fault!)
In touch with their followers' deepest aspirations!
Damn good at what they do!

I admit that the list is my own. But, having talked through this dozens of times, I've gotten pretty consistent agreement that it is at least not a bad list. So, see above ... attributes of those who made the 10th grade history book.

Bottom Line: *WEIRD*.

Add these attributes up ... *and you have the ultimate in traits to be emulated*. Right? (There can't be much of a question about this, I shouldn't think.) So why is it that these Ultimate Admired Traits are the ones that we try to stomp out in the school system, avoid hiring in the world of enterprise? It's stupid. ***Really, really stupid.***

Mozart: "Whoever is the most impertinent has the best chance." Anita Borg: "Well-behaved women seldom make history."

Amen.

* * * *

Let's conclude this section on WEIRD Talent by "takin' it to the [typically VERY UNWEIRD] top." Namely: BOARDS OF DIRECTORS. First: Boards matter! Second: Most Boards are ...

Predictable
Conservative
Old
Studded with Retreads

Third: Bottom Line. If Boards bore, there is no chance whatsoever for an HSDE. Your Board must be as WEIRD as your aim is high. Period.

6. Weed Un-WEIRD

Perhaps this should go without saying. But I fear that it needs to be said ... especially in these ever-so-zany times. **Keep weird. Weed un-weird.** (Go back to the quote, a few pages ago, by *Wired*'s Michael Goldhaber: "If you're not special, you're toast ... in the New

Economy." (Okay. I paraphrase.) "Special" sounds like a pretty decent synonym for "weird" to me. Stands out. Sticks out. Has a pointed view. (Etc.: See again that list of traits that earn a place in the history book.)

Remember Steve Macadam at Georgia-Pacific. He went for talent. *Big Time*. He weeded out 20 plant managers. (Out of 40.) Replaced them with a *higher standard deviation group*. The impact: profitability vaults from \$25 million to \$80 million in just two years ... in the rather mundane corrugated-box business.

Again: Some people throw baseballs incredibly well. Get paid over \$10 million a year for doing so. So, too, managing of a Limited store, a Safeway store, a Georgia-Pacific box plant, or a Cisco Systems engineering lab.

Talent. Damn it. Find it. Give it opportunity. Pay it. And let those who can't cut the mustard find other work. Welcome to the Intolerant New Economy.

7. Hang Out with WEIRD

This whole damn presentation is obvious. (After the fact, at least.) And this is the most obvious part of all. If your Rolodex is weird ... it ups the odds of your remaining a **H**igh **S**tandard **D**eviation **P**erson. (*Measure* the "weirdness quotient" of your Rolodex. How many freaks? Measure it on a scale of 1 to 10. One = Shockingly boring. Ten = Totally freakish.)

Hang out with weird. Go to lunch with weird. Read weird. Surf the Web weird. Go to weird places for vacations. (Forget Disney World.) (E.g., if it's The Pacific Century, vacation or sabbat in CHINA. Damn it.)

Could it be this simple? To some extent, *yes*.

(What a cheap trick ... recommending that one read my book, *The Brand You50*. In that book, pp. 157-162, I include a “50 List within a 50 List: The Renewal50.” Well, I won’t demand that you read the book: We’ll post these five pages at my Web site:

http://www.tompeters.com/toms_world/books.asp.

Point: 50 ideas – from the trivial to the grand – for, in effect, figuring out how to “hang out with weird.”)

I am often asked for my one piece of [profound] advice on this whole & enormous HSDE-renamed topic. I always say the same [trivial-profound] thing: ***IF YOU EAT LUNCH TODAY WITH THE SAME PEOPLE YOU ALWAYS EAT LUNCH WITH, YOU JUST DON’T GET IT. LUNCH WEIRD. [WITH SOMEBODY NEW-WEIRD.] TODAY.***

8 . R.A.F. (Ready. Aim. Fire.) to R.F!A. (Ready. Fire! Aim.) to F!F!F! (Fire! Fire! Fire!)

Hustlin’. Tryin’ stuff. We put “it” (“Bias for Action”) at the top of our list of Eight Basics, almost two decades ago, in *In Search of Excellence*. Another way of playing it comes from marketing guru of gurus, Phil Kotler. Kotler says the 50s and 60s, the heyday of strategic planning, could be called the R.A.F. Era. That is ... Ready. Aim. Fire. Then things speeded things. Welcome to the R.F!A. Era. This time: Ready. Fire! Aim. (Crazy-Weird EDS boss Ross Perot may well have coined this phrase.) And now, Internet Days ... it’s F!F!F! You guessed it: Fire! Fire! Fire!

Remember my reference to F.A. Hayek, the Nobel Laureate in Economics, famed for explaining economic progress as a “spontaneous discovery process”? That’s what we’re trying to get at here: ***Get the “at bats” up; get lotsa wild and wacky tries going. Create the context in which lotsa stuff can happen fast ... much of which will be Pathetically Stupid ... and a tiny bit of which will be Incredibly Brilliant ... and perhaps change our lives.***

It’s the New Economic Metabolism. Trying stuff. Testing stuff. Michael Schrage is perhaps our #1 Innovation Guru. For the last half-dozen years, he’s been obsessed with the importance of ***prototyping***. Normally, one might think of prototyping as a second-order or third-order issue,

relative to the overall innovation process in a unit or corporation. Not so, per Schrage. “Effective prototyping,” he asserts, “may be the most valuable core competence an innovative organization can hope to have.” The “culture” of trying stuff ... with no muss and fuss. That’s the ticket. Core Competence #1. And that’s that. And Schrage has a ton of evidence to support his point. (And ... for what it’s worth ... I happen to agree with him.)

Schrage has taken all this to a brilliant [High Standard Deviation?] extreme in his new, utterly marvelous book ... *Serious Play*. “You can’t be a serious innovator,” he writes, “unless you are ready, willing and able to seriously play. ‘Serious play’ is not an oxymoron; it is the essence of innovation.” ***Play. Playmates. Playground.*** Ah, such beautiful, beautiful words! (Thank you, Michael.)

In fact, Schrage claims (ah, sweet simplicity again) that **innovation *is* how we react to the prototype**. How we react when we see a test. That leads us to conjure up something newer and cooler ... for the next test.

GENERATE THOSE TRIES, DAMN IT!! FAST!!!

On an intimately related note: The late Colonel John Boyd was a mostly unsung strategist-hero at the Department of Defense. Years ago, he discovered that American F-86 pilots had been remarkably successful in the Korean War against MIG-15s. However, the MIGs both flew faster and climbed higher. The F-86 “trick”: Thanks to better hydraulics and thence a quick response joystick, it could turn and twist faster.

Same thing in football. It’s not the raw speed of the split end that counts ... anywhere nearly as much as his ability to cut fast and be deceptive. (Turn fast ... like that F-86, that is.) Boyd described all this in terms of ***O.O.D.A. Loops***. The letters stand for: Observe ... Orient ... Decide ... Act. He or she who can cycle through this process most rapidly tends to win football games or aerial duels.

It’s an absolutely lovely idea. The race doesn’t go to the swiftest, in terms of that raw speed. It goes to the one who can tack and jibe most rapidly and effectively. Among other things, if you are able to go through the full O.O.D.A. process faster than your competitors, you will thoroughly disorient them. (P.S.: I think that’s more or less what Microsoft has been doing for the last 15 years!)

Add it all up, and it’s about a dance. Call it, perhaps, Creating the Rhythm of Prototyping. The Art of the Rapid Zigzag. The problem with all of the above? As Schrage says, the issue is deeply cultural. (***Some organizations thrive on Serious Play. Most, alas, do not.***)

Which leads, rather naturally to HSDE Strategy #9 ...

9. Sense of Humor (Rhapsodize Over Thine COOL Failures)

Why in the world, on a brief list (only ten items), which includes such major strategic activities as certain sorts of acquisition strategies, would I include ... *with equal billing* ... ***Sense of Humor?***

Because it is that important.

These are insane times. Day by day the surprises roll in. Each one more surprising than the last surprise. There is more to come. Lots more. As far as one can see into the future.

Thence, the ability to try something, screw it up grandly, have all your assumptions destroyed by the next set of activities or competitors, and *come up laughing* ... ready and eager to try something else ... that's the secret. For individuals. For corporations, small and large.

I actually think “sense of humor” is a “Corporate Culture issue.” (*THE* corporate culture issue?) It's a variant on the “serious play” idea above. Those who take themselves too seriously ... amidst madness ... are likely to collapse. Those who work like hell ... and laugh when it doesn't work ... are far, far, far more likely to succeed.

***“Reward excellent failures.
Punish mediocre successes.”***

– Phil Daniels, Australian Exec

“Fail. Forward. Fast.”

– High Tech Exec, Philadelphia

***“Success is the ability to go from failure
to failure without losing your enthusiasm.”***

– Winston Churchill

These are a few of my favorites, in a rather large collection. The “bottom line” is all too clear. Almost every person who has made a difference – in the arts and sciences, as well as in business and governance – has had to endure (embrace??!!) many, many, many failures along the way. **“IF YOU'RE NOT FAILING, YOU'RE NOT TRYING”** would seem to be the implicit message/mantra. Or Version 2001: If you're not failing fast, you're not trying hard enough.

I'm aware of how glib it is to leave this dangling. **FEAR OF FAILURE** ("The only thing we have to fear is fear itself." – FDR) **IS ENDEMIC TO MOST INDIVIDUALS, AND FAILURES ARE CONDEMNED** (not "embraced"!) **BY THE LARGE MAJORITY OF CORPORATIONS, LET ALONE PUBLIC AGENCIES.**

Why? Can we blame it (ALL!) on "the schools"? Hardly, but sort of. Failing is not abnormal. To the contrary. Failing is the blood brother of curiosity ... which is as normal as breathing to 4-year-olds ... and rare as a warm February day in Vermont to 34-year-olds. Somewhere along the way (preparing for "standardized tests"?) the curiosity is banked rather than stoked, and the "failure is normal" bit dies with it.

I will offer no prescriptions here. I'm not sure anything would help, frankly. (I've long passed – Book #2, *A Passion for Excellence* – the simplistic "prizes for screw-ups" phase.) I merely – as usual, for me – call "it" to your urgent attention. Maybe you can figure it out.

10. Re-enforce a "Permanent Culture of Disrespect" / Passionate Piracy

Ah yes, in the end this "High Standard Deviation Enterprise" "thing" ain't so easy. It's about a point of view, an attitude, a way of life. ***I call it a Permanent Culture of Disrespect ... and Passionate Piracy.***

Do you choke on those words? (I hope not.)

Gandhi: **"YOU MUST BE THE CHANGE YOU WISH TO SEE IN THE WORLD."** If you're going to emphasize speed. Fast tries. Failing forward fast. Passionate piracy ... well ... you, as leader or even independent contributor, have got to **act the**

part. Monitor yourself – by the hour, by the meeting, by the email – and observe whether or not, relative to your six or 6,000 subordinates or three teammates, you are giving off the "vibes" of a Culture of Disrespect and Passionate Piracy.

“I’d rather regret the things I’ve done than the things I have not.”

– Lucille Ball

“Learn not to be careful.”

– Photographer Diane Arbus, to her students

“Follow your fear.”

– Poet Rainer Maria Rilke

Amen! And of course ... [far] easier said than done! But no less true because of that. In fact, many of the ideas presented in this treatise are an effort to give you strategies to bamboozle yourself ... to force you out into the exciting, wild, far tails of the “normal” distribution ...

where the Weird Ones roam!

* * * *

Brand Position suggests consistency. Yet this entire presentation is about ... ***Planned Inconsistency***. Do the twain ever/never meet? As I thought about it ... I think they do. Call it insouciance and innovation: ***renegade-ism as Brand Position***. Heaven knows, Richard Branson has it/lives it at the Virgin Group. In your face is his signature! Cisco Systems is not so noisy ... but their acquisition strategy is all about the same thing. So, too, the brash and exciting upstarts at Nokia.

This has long been 3M’s signature. And Apple’s. Perhaps not so much today following several mergers, but it’s what MCI was all about in the glory years of redefining telecoms. And the principles upon which Hewlett-Packard was founded.

So think about it: Insouciance and innovation ... as Brand Promise per se. **Hmmmm???**

* * * *

There we have it. Ten strategies (or tactics) aimed at “weirding up” the enterprise. No one of them is perfect. All ten of them, for that matter, aren’t perfect. But they do feed off each other.

Button-down Org

Acquire for market share
Suck up to biggest customers
Pursue “strategic vendors”
Bigger is better
Accept assignments as given
Reward “good” work
Office-as-morgue
Hire “4.0s” from top schools
Promote when they’ve “paid
their dues”
Appoint a “prestigious board”

Hang out with my pals
R.A.F.
Be “professional” at all
times/Honor thine elders

HSDE

Acquire for innovation
Partner with cool customers
Seek out pioneering vendors
Break it up ... to refresh
Reframe all tasks to add WOW!
Reward “cool” failures
Office-as-playpen
Hire intriguing, from wherever
Promote tomorrow, if the work
product is Weird and WOW
Appoint an interesting,
headstrong board
Take a Freak to lunch today
F!F!F!
Stay loose, stay cool/
The hell with thine elders

So ...

Have fun! Cherish your screw-ups! Lunch with weird! (*And Get Weird!*)

Afterword I: Chicken Little, The Sky Is Falling!

Be Weird! Go Crazy! (Peters.)

But ...

But ...

The New Economy is cooked! The NASDAQ is in the tank! ***Stuff the T-shirts! Break out Brooks Bros.***

Right?

Well, I say: ***What crap!***

The bloom is not off the rose, even if the share price of roses is down. In fact the rose is still a long way from its first blooms. “This” is a ... make no mistake ... once-every-several-hundred-years ***revolution***. And it’s barely started.

Ray Kurzweil gets stuff right. Ray Kurzweil, though a “futurist,” has his feet firmly planted on earth. Several successful start-ups under his belt. Numerous patents for, among other things, early voice-recognition software. Now Ray is writing about ***The Singularity*** – “a merger between humans and computers that is so rapid and profound it represents a rupture in human history.” Tech paradigm shifts, he adds, took thousands of years around 1000 A.D. By 2000 such shifts took a decade, and Kurzweil claims that the 21st century will witness 1000 *times* more change than the 20th.

That is, ***this “weirdness” we witness daily*** – completed mapping of the human genome in early 2001, near certainty of human cloning within the year – ***is still very much picking up steam***. Kurzweil imagines something approaching an infinite speed of change within a half century. (And he’s not kidding.)

And ye olde NASDAQ? ***Cool! PURE cool!*** The “bubble” of the last couple of years was an incredible way to instantly fund a rash of important experiments. (The failures were more important than the successes. IRL/Insanely Rapid Learning was the name of the Big Game.) Not only did we experience an unprecedented rate of learning, courtesy those busted new businesses, but the frenzy per se scared the shit out of the F500 Big Bumpers, several of whom embraced “all this” with stunning dispatch – e.g., GE, Merrill Lynch, Dana, Baxter.

All of which is to say that “Chill” is not the appropriate response to the “calamities” of recent times. The FOLTW ... **Fundamentals Of Long-Term Weird** ... are firmly in place.

Keep the suits in the closets. PLAY like mad. We ain’t seen nothin’ of nothin’ ... yet.

Afterword II: In Defense of Bland

Defense of bland? *There is none.*

Newark Airport. 7 a.m. International Arrivals area. Cold. Gray. February. I'm tired. No, exhausted. Grumpy. Miserable. Bags finally collected and through Customs, I wearily head for the outside world. I'm stopped in my tracks. *An Aria!* No bull. Well, if not quite an aria, a damn fine imitation thereof. What? Who? It's the "lowly" airport employee directing us on our way. With song. Booming, deep, sonorous voice. A facial expression that even a cynic would have to agree merits the word "radiant." Personalizing his remarks. He "gets" sad-sack old me in an instant, and begs me through clever and engaging verse to be at least a little uplifted by the fact of another impending sunrise. (Even though it's a pale one in February.) My self-inflicted burdens *are* lightened ... immeasurably. It's this "lowly" guy ... *WHO CARED.*

Football. Lowest ranking members on a professional squad. Who? The bit players ... the Special Teams dudes. "Bit players"? Perhaps. But also the proving-ourselves-gang that give heart and soul and body to their walk-on slots! Just as does the aspiring Brando, as he attempts to turn his 45 seconds on screen into something memorable enough to catch the eye of, say, a Robbins or Scorsese.

Sure it's pap. But I happen to believe it: *THERE ARE NO BIT PARTS, ONLY BIT ATTITUDES.*

Okay, I'm ahead of myself. Re ... *WEIRD.* Some guy in a seminar essentially attacked me. "Tom," he said, "don't we need some 'grout' between the tiles?" That is, don't we need some DBDs ... Dull & Boring Doers?

"**NO! NO! NO! NO!**" I literally shouted. Spirit and spunk ... and, yes, *weird* ... is to be as cherished among telemarketers and hotel housekeepers ... and public-sector "grunt" employees directing human traffic at 7 a.m. at Newark Int'l ... as among Cisco's or Pixar's engineer-designers. Believe it!

Well, at least I hope you believe it. I surely do. Forget "Pockets of Diligent Dull." Engaging everyone in our *Great & Seriously Cool Brand Challenge To Make A Damn Difference* is the name of the only game worth playing. All hands. Period. (Keep the "grout" for yourself, Dude.)

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 KNEEL 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 MARKET OPPORTUNITY (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. WHADDAN OPPORTUNITY!)

DESIGN MINDFULNESS. “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) ATTENTION TO 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 ENOUGH TO 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.

TALENT! 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 WOULD HAVE 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 A HALF-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 WRONG. 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!