



Ten Good Reasons to
"Get Up in the Morning"

Tom Peters



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“I don’t think there’s anything worse than being ordinary.”
—Angela (Mena Suvari), *American Beauty*

Two colleagues and I sat chatting at an outdoor café (more like a dive, actually) in New Bedford, MA, on a lovely July afternoon. The talk included a rambling discussion about a “foundation” (quotes appropriate—is that what it is?) I’m thinking of starting. “I know your work pretty well,” one said to me, “but I’m not sure I know what makes you get out of bed in the morning.” We agreed to talk in a few

weeks, and I was summarily given an assignment: “Draft a short ‘I really care about this’ list for next time—and email it to us within the next week.”

I thought a lot for several days, missed the “next week” deadline—but finally produced “Ten Good Reasons to ‘Get Up in the Morning.’” Here’s the list, briefly annotated*:

*Find the full list on the next page.

1. Empower one and all to vigorously seek WOW! in their work/projects. (Or else.) Foster the “Brand You Spirit” and the “Entrepreneurial Urge” at every turn. (Or else.)

This ranks number one for a host of reasons—my passion, the importance of the issue at this historic juncture, and the breadth of potential impact.

Good times, bad times, any time: *My passion is for Passion.* Age 17, busing tables at a local pizzeria, or 57, as President of the U.S.A.—I think a day at work ought

to be a Quest for Cool. This is not a moral crusade, but it is about saving your soul. There are, after all, a lot of people worthy of your help. Starting with you! Facing a dull dreary day is just too bloody much for me. And has been since long before age 17. My Goal One is always: Amuse myself! (Which will help me amuse others.) That is: Engage ... Fully ... in the Moment. Life is too damn short to piss a single day away. And (trust me on this) “Wow!” is as possible as a Young Waiter or Young Waitress (I waited table for nine years, to earn high school and college tuition) as it is as an elderly Management Guru addressing a crowd of 15,000.

Ten Good Reasons to “Get Up in the Morning”

1. Empower one and all to vigorously seek WOW! in their work/projects. (Or else.) Foster the “Brand You Spirit” and the “Entrepreneurial Urge” at every turn. (Or else.)
2. Blow up “education” as we know it today! Re-tool education to emphasize the arts, creativity, entrepreneurial behavior. (Or else.)
3. Seek out the bold, the strange, the misfits, the dreamers—and welcome their presence in our midst.
4. Drag enthusiasm, passion, Technicolor, and bold commitment out of the closet! Make Passion your Passion! (Hint: Passion makes the world go ‘round.)
5. Be a champion for: Women Roar! Women Rule!
6. Underscore the importance of/stupendous opportunities associated with the “cool new markets”: Women, Boomers and Geezers, Hispanics, Greenies, Wellness.
7. Dramatically reorient healthcare from after-the-fact “fixes” to before-the-fact attention to prevention-Wellness. (And “kindly suggest” that the “acute-care” “industry” give some passing thought to Quality.)
8. Ensure that the historically neglected “intangibles” become the prime basis for individual and enterprise success.
9. Support Globalization as the best—if indeed messy—path to maximum human freedom, security, and welfare.
10. Swear by the motto: “Reward excellent failures; punish mediocre successes.”

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"Groups become great only when everyone in them, leaders and members alike, is free to do his or her absolute best. ... The best thing a leader can do for a Great Group is allow its members to discover their own greatness."

—Warren Bennis and Patricia Ward Biederman,
Organizing Genius

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The second reason this tops my list is: *Bloody hell ... the world is going bonkers!* Lifetime jobs are dead. Social Security may well be dead when we Boomers and Geezers finish cleaning the rest of you out. China and India are on the rise ("on the Soar?"). Outsourcing is "in." So is the automation of very sophisticated "white-collar" jobs. Quick! Figure out something decidedly Cool & Different (& Wow) to do ... or you're toast. ("Toast" = "There is no job that is America's God-given right anymore."—Carly Fiorina, CEO, HP, early 2004) Our motto at Tom Peters Group: "**DISTINCT ... OR EXTINCT.**" To continue with our jargon, if you don't morph from Satisfactory Seatholder (in, say, HR) to Brand You ... PDQ ... uhm ... so, so very sorry.

N.B.: I do admit to a Strong Bias here: I think this is very, very, very cool! I'd not be able to bear the 41-year white-collar (Cubicle Slave) "routine" my Father faced. Give me Liberty ("Brand You or Bust" is my de facto motto) or Give Me Death—cubicle slavery is far less injurious to the soul than mere death, as I see it.

2. Blow up "education" as we know it today! Re-tool education to emphasize the arts, creativity, entrepreneurial behavior. (Or else.)

I could easily make Education my second career—though changing the system is such a daunting task that I'd clearly be on drugs after a week of trying. So ... maybe not. But at least I can be a Far More Annoying Human Being on this subject than I have been.

You see, the "education system" ... SUCKS. Wanna know why: See No. 1 above. That is: Ag jobs are dead ... factory jobs are dead ... white-collar jobs are dying like flies. So ... we gotta figure *something* new to do. Or else. ("Or else" is my favorite phrase these days.) And that "something" will feature the Big Three: (1) Creativity, (2) an Arts Orientation, and (3) Independence of Spirit and Action (a Brand You-Entrepreneurial combo).

I have another phrase I like: **NOT OPTIONAL.**

The schools, I must admit, are in their own fashion, "perfect." They are "perfect," or at least near perfect, at ... Suppressing Creativity. They are "perfect" at ... ignoring the Arts. They are "perfect" at ... quashing any sign of the Entrepreneurial Bent. The latter, for instance, is labeled "abnormal behavior," and subject to drug-ging—e.g., Ritalin, at age Young. (Hint to Idiots, uhm, educators: All those who make the history books were "abnormal." All progress depends on "abnormals.")

Whoops: Don't get me going on this ... I already suffer from hypertension.

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"My wife and I went to a [kindergarten] parent-teacher conference and were informed that our budding refrigerator artist, Christopher, would be receiving a grade of Unsatisfactory in art. We were shocked. How could any child—let alone our child—receive a poor grade in art at such a young age? His teacher informed us that he had refused to color within the lines, which was a state requirement for demonstrating 'grade-level motor skills.'"

—Jordan Ayan, *Aha!*

"Thomas Stanley has not only found no correlation between success in school and an ability to accumulate wealth, he's actually found a negative correlation. 'It seems that school-related evaluations are poor predictors of economic success,' Stanley concluded. What did predict economic success was a willingness to take risks. Yet the success-failure standards of most schools penalized risk takers. Most educational systems reward those who play it safe. As a result, those who do well in

school find it hard to take risks later on.”
—Richard Farson and Ralph Keyes, *Whoever Makes the Most Mistakes Wins*

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3. Seek out the bold, the strange, the misfits, the dreamers—and welcome their presence in our midst.

I love Freaks. (You can probably already tell.)

So: Why do I love freaks? (1) Because when Anything Interesting happens ... it was a freak who did it. (Period.) (2) Freaks are fun. (Freaks are also a pain.) (Freaks are never boring.) (3) We need freaks. Especially in freaky times. (Hint: These are freaky times, for you & me & the CIA & the Army & Avon.) (4) A critical mass of freaks-in-our-midst automatically makes us-who-are-not-so-freaky at least somewhat more freaky. (Which is a Good Thing in freaky times—see immediately above.) (5) Freaks are the only (ONLY) ones who succeed—as in, make it into the history books. (6) Freaks keep us from falling into ruts. (If we listen to them.) (We seldom listen to them.) (Which is why most of us—and our organizations—are in ruts. Make that chasms.)

If that's not an open and shut case for Freaks, I don't know what would be. Right?

4. Drag enthusiasm, passion, Technicolor, and bold commitment out of the closet! Make Passion your Passion! (Hint: Passion makes the world go 'round.)

I think hanging out in energetic places is a lot more fun than hanging out in dull & dreary places. So much so that I might well call it “Life's Rule One.” But I'm not really staking my claim on that assertion—as important as it is.

**Dream
as if
you'll
live
forever.
Live as
if you'll
die
today.
—James Dean**

I'm trying instead to make the "business case," the "pragmatic case": *Places where passion is the centerpiece of the "culture" (restaurants, finance departments, platoons, movie crews) perform a helluva lot better than places that are "professional"—that is, calm & cool & collected.*

Diane Geppi-Aikens was a gifted lacrosse coach. Her teams outperformed their potential by a country mile—year in and year out. More important, many of her players had their lives transformed permanently by exposure to this extraordinary woman. In a tribute to Geppi-Aikens after her untimely death, player upon player commented on the lengths to which she would go to instill her abiding passion for passion. For example: "She made us close our eyes and hear the singers she was passionate about: Roberta Flack and Aretha Franklin. 'Listen to the joy in their voices,' urged Diane. 'It's not the words or the music. They sing with such great passion; such heart and soul. You can feel how the singers love what they are doing. It's not just a job to them. If you want to excel, you need to be passionate! Otherwise, why waste your time?'"

Last year we celebrated the 200th anniversary of the Louisiana Purchase. It was the keystone to transforming the fledgling U.S. into a Continental power. Today, that's as obvious as the end of one's nose. It was not so obvious at the time. The leading paper of the day, the *Federalist*, described President Jefferson's act as "the wildest chimera of a moonstruck mind." My retort: Hip, hip, hooray for "moonstruck minds"! May we find them under every rock as we attempt to navigate today's White Waters.

Jefferson wore his passion on his sleeve—and went to great lengths to make his "moonstruck" dreams come true. Today's most admired business leader, former GE boss Jack Welch, exudes a strong whiff of Jeffersonian passion. Jack on the leader's "right stuff": "You can't behave in a calm, rational manner. You've got to be out there on the lunatic fringe."

I have literally hundreds of quotes like these. I constantly re-read them, especially on days when the whacky world is fraying each and every nerve ending.

My passion is ... passion. It's that simple. And I dearly want such passion ("a moonstruck mind," permanent residence on the "lunatic fringe") to be your lot as well.

In October 2003, *Fast Company* reviewed my book *Re-imagine!* They said this: "In Tom's world, it's always better to try a swan dive and deliver a colossal belly flop than to step timidly off the board while holding your nose." In fact, open disdain for timidity of the sort the magazine alludes to led me to concoct The Re-imaginer's Credo:

Technicolor Times demand ...

Technicolor Leaders and Boards who recruit ...

Technicolor People who are sent on ...

Technicolor Quests to execute ...

Technicolor (WOW!) Projects in partnership with ...

Technicolor Customers and ...

Technicolor Suppliers all of whom are in pursuit of ...

Technicolor Goals and Aspirations fit for ...

Technicolor Times.

Hooray for Technicolor!

(Downside action: Remove from office—minor or major—"sad dogs who spread gloom," to quote adman David Ogilvy. Do it today!) (Next: Post a sign on your door: "ENTHUSIAST AT WORK. CYNICS KEEP OUT")

5. Be a champion for: Women Roar! Women Rule!

Women *buy* everything.
Women are better *leaders*.

Any questions?

Funny thing is, I believe the above—and am dumbfounded that so many (stupid old white guys—like me?) don't.

Women buy all the stuff. Consumer goods, sure. (Though it came as a surprise to Home Depot when

Lowe's figured it out first.) And they buy all (okay, a lot/most) of the commercial goods as well—now that they constitute over 50 percent of Purchasing Officers, HR leaders and Admin Officers among other things. But I'll hold the rest of that analysis for the next section.

Okay then ... Women Roar. (BUY IT ALL.) *And:* Women Rule. (OUGHT TO LEAD IT ALL—OR AT LEAST A LOT MORE THAN THEY DO NOW.)

BusinessWeek summed it up nicely in a Special Report a couple of years ago. The title: "AS LEADERS, WOMEN RULE: New studies find that female managers outshine their male counterparts in almost every measure." And Judy B. Rosener, in *America's Competitive Secret: Women Managers*, provides the larger context: "American women possess leadership abilities that are particularly effective in today's organizations, yet their abilities remain undervalued and underutilized. In the future, what will distinguish one organization and one country from another will be its use of human resources. Today human resource utilization is not only a matter of social justice but a bottom-line issue."

My own take is quite simple:

1. The world is changing. (Duh.)
2. New sorts of leadership-managerial skills are needed to deal with a New World. (Duh.)
3. Men and women are different. (Duh.)
4. Very different. (It's a fact.)
5. The leadership skills that women tend to bring to the party are an excellent match with the new needs of enterprise. (Cool.)

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Women ... link [rather than rank] workers; favor interactive-collaborative leadership style [empowerment beats top-down decision making]; sustain fruitful collaborations; comfortable with sharing information; see redistribution of power as victory, not surrender; favor multi-dimensional feedback; value technical & interpersonal skills, individual & group contributions equally; readily accept ambiguity; honor intuition as well

as pure "rationality"; inherently flexible; appreciate cultural diversity—Judy B. Rosener, America's Competitive Secret: Women Managers

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6. Enterprise rules & mores are designed by men, for men. (Not surprisingly, men play well with toys they designed.)

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"Society is based on male standards with women seen as anomalies deviating from the male norm."

—Bi Puvaneu, Institute for Future Studies (Stockholm)

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7. Women are still woefully underrepresented in leadership ranks—e.g., 8 of 500 Fortune 500 chiefs are women.

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"Internationally, the United States ranked 60th in women's political leadership, behind Sierra Leone and tied with Andorra."

—Marie Wilson, *Closing the Leadership Gap*

NB: For mercy's sake ... when will a woman become president of the U.S.A.? (Or at least a major party candidate?)

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8. While I don't seek a formal measure of numeric equality, I do scream: WE ARE MISSING ONE HELLUVAN OPPORTUNITY HERE! (Duh.)

And I claim all this "gets me out of bed in the morning"? I do! For better or for worse I'd add: It's not the inequality of it that gets to me ... it's the stupidity of it! (Why: Why turn one's back on half the talent in the country/world?) (For Americans: Let's try by 2014 to at least break into the "Top 55" when it comes to "women's political leadership"!)

6. Underscore the importance of/stupendous opportunities associated with the “cool new markets”: Women, Boomers and Geezers, Hispanics, Greenies, Wellness.

We slice and dice and segmentize and micro-segmentize and CRM and and “one-on-one” the marketplace. As to the new tools I say (shout!): Cool! Use ‘em! Profit from them (obscenely if possible). But ...

But ... while slicing and dicing let’s not forget the big stuff. **(THE MONSTER STUFF.)** Namely:

1. *Women* buy everything. (Everything = A really, really lot.)
2. *Boomers & Geezers* have all the money. (Trillions upon more trillions.)
3. The *Hispanic* market is growing soooooo fast and is influencing styles soooooo fundamentally, it’d make your head swim ... if you were paying the slightest bit of attention. (Hispanic-origin population in the U.S. grew by 39 percent from 1990 to 2000—while the population as a whole increased by 9 percent.)
4. “Outside the beltway” concerns with *All Things Green* are growing exponentially. Green products. Green buildings. Environmental sensibilities and stewardship as a primary measure of enterprise citizenship.
5. Medicine, the practice thereof, many miracle cures and the stupendous promise of biotech notwithstanding, is broken. Dealing with problems before they arise is becoming “the new cool”—at least it is if you’re a patient. Hence: *Wellness* (products & services) is a burgeoning market. No, make that “stupendous.”
6. DAMN FEW ARE PAYING ATTENTION TO ANY OF THE ABOVE—OR AT LEAST NO MORE THAN LIP SERVICE.
7. To “take (significant) advantage” requires far, far more than “initiatives”—it demands fundamental

strategic & cultural enterprise re-alignment. (E.g.: If you want to glom on to the “women’s market opportunity,” more or less put lots & lots of women in charge—see above.)

8. So ... use the new micro-segmentation tools to your heart’s desire—but don’t forget the basics.
9. REPEAT AFTER ME: WOMEN BUY EVERYTHING!
10. REPEAT AFTER ME: BOOMERS AND GEEZERS HAVE ALL THE MONEY!
11. REPEAT AFTER ME: THERE ARE A LOT MORE HISPANICS AROUND THAN THERE WERE YESTERDAY.
12. REPEAT AFTER ME: DO I HATE MONEY? AM I ASHAMED OF PROFIT? AM I AN ENEMY OF CAPITALISM? IF THE ANSWER IS “NO” TO THESE QUESTIONS, THEN WHY AM I SO STUPID?

Here’s a sliver of the data I’ve unearthed on just the “women’s thing” and the “boomer-geezer thing”:

Start with ... *women*. As noted: *They buy everything*. (Not much of an exaggeration.) Consider these stats from the U.S., U.K., Canada, Australia, and New Zealand. Women’s share of purchases:

Home Furnishings ... 94%
 Vacations ... 92%
 Houses ... 91%
 D.I.Y. (incl. major “home projects”) ... 80%
 Consumer Electronics ... 51% (66% home computers)
 Cars ... 68%
All consumer purchases ... 83%
 Bank Account, choice of ... 89%
 Household investment decisions ... 67%
 Small business loans/biz starts (U.S.A.) ... 70%
 Health Care ... 80%
 (And, these days, many-most biz-to-biz products and services.)

Then ... *Boomers and Geezers*: The cherished (by marketers trapped in the statistically invalid “catch ‘em early” snare) 18-44 “segment” will *decline* in population by 1 percent in this first decade of the new century; on

the other hand, the 55+ “segment” in the U.S. will increase by a hearty 21 percent ... and the 55-64 bunch will leap by a staggering 47 percent. (Note: “Boomers,” born between ’46 and ’64, number about 78 million in the U.S.) (Note: These U.S. numbers pale by comparison to the even more extreme aging stats coming out of Western Europe and Japan.)

To cut to the chase, here’s the story in brief:

1. The numbers of people involved are ... enormous.
2. The wealth of these people is ... staggering. (The 50+ group in the U.S. controls 70 percent, or \$7 trillion, of our wealth.)
3. This is the first “aging” group that ... refuses to “act their age”—a very cool thing for goods and services producers. (“Sixty Is the New Thirty”—AARP magazine cover in 2003)
4. The Boomer-Geezer cohort mostly wants to buy ... experiences. (See No. 8 below.)
5. One more time: VERY FEW FIRMS ARE AGGRESSIVELY ADDRESSING THIS ISSUE-OPPORTUNITY. (“Addressing” = Re-aligning “culture” to Embrace the Boomers-Geezers.)

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“Marketers’ attempts at reaching those over 50 have been miserably unsuccessful. No market’s motivations and needs are so poorly understood.”—Peter Francese, founding publisher, American Demographics

“Focused on assessing the marketplace based on lifetime value (LTV), marketers may dismiss the mature market as headed to its grave. The reality is that at 60 a person in the U.S. may enjoy 20 or 30 years of life.”

—Carol Morgan & Doran Levy, *Marketing to the Mindset of Boomers and Their Elders*

“Age Power’ will rule the 21st century, and we are woefully unprepared.”

—Ken Dychtwald, *Age Power: How the 21st Century Will Be Ruled by the New Old*

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Yes! Yes! Yes! The Magnitude & Coolness of the Opportunity and the Stupidity & Silliness of overlooking it “gets me out of bed in the morning. ” I chortle with excitement about the **Women’s Opportunity** in particular. **Sooooo Big! Sooooo Cool!** So utterly ignored by all my “guru” male colleagues! And, oh soooooo very much fun to Ruffle the Preening Feathers of the Old White Guys who “run” our “best” Corporations!

7. Dramatically reorient healthcare from after-the-fact “fixes” to before-the-fact attention to prevention-Wellness. (And “kindly suggest” that the “acute-care” “industry” give some passing thought to Quality.)

I’m 61. Healthcare gets to be “down dirty & personal” at about that age. In my case, really personal. I’ve always “carried” more weight than I should. Lived with insane stress. Taken virtually no breaks. I’m the poster child for the Type-A-Workaholic “lifestyle”—death-style?

And then came 2003. And problems. And, amazingly, a solution ... Canyon Ranch/Berkshires. I will not bore you with my story-“epiphany.” I will instead tell you I have become a (watch out!) “true believer” ... a Wellness Fanatic. And as I’ve moved (raced!) along that path, my ire (Anger! Fury!) at the medical establishment has grown exponentially.

Let me be clear, my closest friend is a renowned physician, who has saved a helluva lot more lives than I have. I number a dozen astoundingly accomplished medical professionals among my closest and most respected colleagues. I appreciate the work of the pharmaceutical firms—and benefit enormously from the likes of Lipitor and Bextra. But here are my “Big Two” beefs:

1. Hospital “quality control,” at least in the U.S., is a bad, bad joke. Depending on whose stats you believe, hospitals kill 100,000 or so of us a year—and wound many

times that number. Finally, “they” are “getting around to” dealing with the issue. Well, thanks. And what is it we’ve been buying for our Trillion or so bucks a year? The fix is eminently do-able ... which makes the condition even more intolerable. (“Disgrace” is far too kind a label for the “condition.” Who’s to blame? Just about everybody, starting with the docs who consider oversight from anyone other than fellow clan members to be unacceptable.)

2. *The “system”—training, docs, insurance incentives, “culture,” “patients” themselves—is hopelessly-mindlessly-insanely (as I see it) skewed toward fixing things (e.g., Me) that are broken—not preventing the problem in the first place and providing the Maintenance Tools necessary for a healthy lifestyle.* Sure, bio-medicine will soon allow us to understand and deal with individual genetic predispositions. (And hooray!) But take it from this 61-year-old, decades of physical and psychological self-abuse can literally be reversed in relatively short order by an encompassing approach to life that can only be described as a “Passion for Wellness (and Well-being).” Patients—like me—are catching on in record numbers; but “the system” is highly resistant. (Again, the doctors are among the biggest sinners—no surprise, following years of acculturation as the “man-with-the-white-coat-who-will-now-miraculously-dispense-fix-it-pills-for-you-the-unwashed.” (Come to think of it, maybe I’ll start wearing a White Coat to my doctor’s office—after all, I am the Professional-in-Charge when it comes to my Body & Soul. Right?)

What the hell does all this have to do with “Tom’s life as a business guru?” Several things: (1) This is my paper about “What gets me out of bed in the morning.” This gets me out of bed in the morning! I am pissed off “Big Time” about the Medical Establishment hiding the Secret of Wellness from me for 60 years. (Sure, I’m a responsible adult, but if you’re trained from birth that “a little pill will do it for you,” you spend your life in pursuit of Another Little Pill—especially as you get older and achier.) (2) Health care is our biggest industry—and our worst-managed industry: What better grist for a guru’s mill? (3) The emergent “Wellness Industry”/“Wellness Movement” is arguably the Biggest Opportunity in Business over the next quarter

century—remember those Boomer numbers! (4) As even the remnants of Lifetime Employment evaporate, and Brand You becomes ubiquitous (see No. 1 above), adults will become de facto or de jure Independent Biz Owners in unprecedented volume—and Wellness will become ever more important. Trust me: Brand You don’t have “sick day” accounts! (5) It is irresponsible for me not to do something about this disgraceful situation, and the equally disgraceful situation in Education commented upon above (No. 2).

Okay?

8. Ensure that the historically neglected “intangibles” become the prime basis for individual and enterprise success.

An article in the Design Management Institute’s journal reports that, among a sample of leading B-school curriculums, there is not one (**NOT ONE!**) that includes a Core Course in ... *Creativity*. Not one (**NOT ONE!**) that includes a Core Course in ... *Design*. Not one (**NOT ONE!**) that includes a Core Course in ... *Innovation*.

That pisses me off. Big Time. Are all the Deans ... IDIOTS? Perhaps they’re just pragmatists (Pragmatic Idiots?): One Dean explained the absence of such courses thusly: “It’s hard stuff to teach.” I guess teaching “hard” accounting courses that provide the tools to cook the books at Enron is easier; hey, my Dean at Stanford, a “renowned” academic accounting ace, served as Chair of Enron’s Audit Committee.

As I said I’m pissed off. Not because of my former Dean’s possible negligence, but because the “thinking” associated with the holes in the MBA curricula is so at odds with where the economy is heading—make that “racing”!

And where are we racing? Make no mistake: To a New Pinnacle of Value Added, which I call ... *The Age of Intangibles*.

Consider:

The “M” in **IBM** stands for “machines.” Except IBM doesn’t make computers anymore. It’s effectively the world’s largest consultancy. CEO Sam Palmisano aims to be no less than system architect of industry upheavals. “Palmisano’s strategy,” claims *Fortune*, “is to expand tech’s borders by pushing IT users—and entire industries—toward radically different business models. The payoff for IBM would be access to an ocean of potential revenue—Palmisano estimates it at \$500 billion a year—that technology companies have never before been able to touch.”

UPS is a collection of brown trucks. Except it wants us to forget the trucks ... and ask “What Can Brown Do for Me?” “UPS,” said *ecompany.com*, “wants to take over the sweet spot in the endless loop of goods, information and capital that all the packages [it moves] represent.” *BusinessWeek* chimes in: “Big Brown’s New Bag: UPS Aims To Be the Traffic Manager for Corporate America.” The fastest growing element at IBM is IBM Global Services, the consultancy-industry rainmaker. The fastest growing element at UPS is “SCS” ... Supply Chain Solutions, now at \$2 billion and featuring 750 locations; UPS’s 24 recent acquisitions include a bank and other financial-services assets that permit the company to be your one-stop-shop consultancy-systems architect for all logistical and supply chain concerns and opportunities.

Omnicom is a professional services firm that “makes” ads. Well, sure, but ...

But the “ad bit” is now the minority partner in the \$8 billion firm. Omnicom would like, say, a Chevrolet or Frito-Lay to “outsource” all its marketing concerns—much the same way that an EDS does 95 percent of the IS/IT work for its giant clients. That is, Omnicom is now in the “integrated marketing services” biz—of which ads are an important but no longer dominant part.

Club Med doesn’t provide “great rooms on a cool beach.” **Starbucks** isn’t about a cup of java ... and **Harley-Davidson** surely doesn’t rake in profit by hawking two-wheeled transportation machines. Try instead:

“Club Med is more than just a ‘resort’; it’s a means of rediscovering oneself, of inventing an entirely new ‘me.’”
—Jean-Marie Dru, CEO TBWA/ChiatDay, *Disruption*

“We have identified a ‘third place.’ And I really believe that sets us apart. The third place is that place that’s not work or home. It’s the place our customers come for refuge.”—Nancy Orsolini, Starbucks District Manager

“What we sell is the ability for a 43-year-old accountant to dress in black leather, ride through small towns and have people be afraid of him.”—Harley-Davidson exec on “experiencing the ‘rebel lifestyle’”

At the heart of *Re-imagine!* is my extensive tour of the economy, from consumer offerings (such as Club Med, Starbucks, Harley) to business-to-business services (such as IBM, UPS, Omnicom). The emergent story line is the same everywhere: As global competition heats up (and up and up), merely making a “quality product” or “quality service” is no longer enough, not nearly enough. We need to offer far more. One useful—compelling, actually—name for this new, intangible “it” that preoccupies everyone from UPS to Starbucks and provides the basis for almost all emergent Economic Value is “experiences.” As in providing remarkable, innovative, brilliantly designed experiences instead of just “products” and “services.” The core logic is provided by Joe Pine and Jim Gilmore in their seminal *The Experience Economy: Work Is Theatre & Every Business a Stage*. “Experiences,” the authors write, “are as distinct from services as services are from goods.” Former Harley CEO Rich Teerlink translates this into CFO-speak. He told me it took him almost a decade of relentlessly “pounding on Wall Street” to convince analysts that “We are a ‘lifestyle company,’ not a ‘machinery manufacturer.’” Teerlink’s successful sale to the Street led to about a \$10 billion leap in the former machinery manufacturer’s market cap!

It’s all easier said than done of course. Requisite to Transformations that switch Enterprise Cultures Directly and Abruptly toward Dominance of Intangibles (Creativity ... Design ... Innovation) is a particular type of wrenching culture change that flies in the face of most traditional training and development

practices of, say, the last hundred or more years. "Most executives," asserts Danish marketing guru Jesper Kunde in *Unique Now ... or Never*, "have no idea how to add value to a market in the metaphysical world. But that is what the market will cry out for in the future. There is no lack of 'physical' products to choose between."

What about getting our Recalcitrant Deans to scotch the MBA and offer a new degree, an MMM (Master of Metaphysical Management)? Another Dane, Rolf Jensen, head of the Copenhagen Institute for Future Studies, is poised to hop aboard this bandwagon. "The sun is setting on the Information Society" he writes in *The Dream Society: How the Coming Shift from Information to Imagination Will Transform Your Business*, "even before we have fully adjusted to its demands as individuals and as companies. We have lived as hunters and as farmers, we have worked in factories and now we live in an information-based society whose icon is the computer. We stand facing the fifth kind of society: the Dream Society. The Dream Society is emerging this very instant—the shape of the future is visible today. Right now is the time for decisions—before the major portion of consumer purchases are made for emotional, nonmaterialistic reasons. Future products will have to appeal to our hearts, not to our heads. Now is the time to add emotional value to products and services."

Longtime premier brands executive Gian Luigi Longinotti-Buitoni takes this line of argument to the extreme, contending that winners will get into the "dream marketing" business. "A dream," he says, "is a complete moment in the life of a client. Important experiences that tempt the client to commit substantial resources. The essence of the desires of the consumer. The opportunity to help clients become what they want to be." Longinotti-Buitoni then shortens dream marketing to ... dreamketing: "Dreamketing: Touching the clients' dreams. Dreamketing: The art of telling stories and entertaining. Dreamketing: Promote the dream, not the product. Dreamketing: Build the brand around the main dream. Dreamketing: Build the buzz, the hype, the cult."

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"We do not sell 'furniture' at Domain. We sell dreams. This is accomplished by addressing the half-formed needs in our customers' heads. By uncovering these needs, we, in essence, fill in the blanks. We convert 'needs' into 'dreams.' Sales are the inevitable result."
— Judy George, Domain Home Fashions

"No longer are we only an insurance provider. Today, we also offer our customers the products and services that help them achieve their dreams, whether it's financial security, buying a car, paying for home repairs, or even taking a dream vacation."
—Martin Feinstein, CEO, Farmers Group

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You may or may not cotton to "dreamketing" per se. But I contend that the evidence I've presented in this very truncated tour economic d'horizon is compelling. And ubiquitous. "Dreamketing" at a home furnishings chain (Domain): Sure. But isn't the Domain story at essence the same as "What can Brown do for you?" (UPS) story? I think the answer is clear as a bell, from financial services (Farmers Group) to logistics services (UPS) and enterprise re-imaginings (IBM) ... to vacations (Club Med), biking (Harley) and a cuppa java (Starbucks).

Feel free to choose your favorite term: "Age of Intangibles," "experience economy," "dream society," "dreamketing" ... or some other. No matter what your choice is, these operative ideas remain: Intangibles Rule! Creativity Rules! Design Rules! Innovation Rules! And: "Not optional"!

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Yes, feel free to choose your favorite term. And then to act. But beware that I'll be on your case! My Passion for the Intangibles (Creativity ... Design ... Innovation ... and Metaphysical Management) is one of the Primary Reasons I get (leap!) out of bed in the morning.

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Bonus: A (big)(& possibly valuable) hunch!

I have a sense that there's an interesting nexus among several of the ideas I've just discussed ... namely *Women-Boomers-Wellness-Intangibles*. Each one shoves the Fundamental Economic Value Proposition toward the "softer side": From facts- & figures-obsessed males to relationship-oriented Women. From goods-driven youth to "experiences"-craving Boomers. From quick-fix & pill-popping "healthcare" to a holistically inclined "Wellness Revolution." From "goods" and "services" to Design- & Creativity-rich Intangibles-Experiences-Dream Fulfillment. This so-called "softer side"—as IBM's Palmisano and Harley's Teerlink taught us—is now & increasingly "where the loot is," damn near *all* the loot. That is, the "softer side" has become the Prime Driver of tomorrow's "hard" economic value. Each of the Four Key Ideas (*Women-Boomers-Wellness-Intangibles*) feeds off and complements the other three. Dare I use the word "synergy"? Perhaps. (Or: Of course!) I can imagine an enterprise defining its *raison d'être* in terms of these Four Complementary Key Ideas. (HINT: DAMN FEW DO TODAY.)

Think about it!

Deeply?!

(NOW THAT MAKES ME WANT TO HOP OUT OF BED!)

9. Support Globalization as the best—if indeed messy—path to maximum human freedom, security, and welfare.

I am far, far too old to believe be the owner of Rose-Colored Glasses. The world is a confusing—and dangerous—place. Which brings me to ... Globalization. Its course is not smooth. International waters can be expected to boil for decades to come. The magnitude of the Edge the U.S. currently enjoys in the League Economic Tables is certain to shrink, and may evaporate entirely. Yet the horse cannot be returned to the barn. The idea—the only sane idea—is to *minimize* moaning and *maximize* preparation for a dramatically altered World Order. I tried to capture all this in a brief “Offshoring Rant” in March 2004. It attracted surprising global media attention, and I reproduce it here in its entirety—it’s what I thought a few months ago, and still think:

1. “Off-shoring” will continue; the tide cannot be reversed.
2. Service jobs are a bigger issue than manufacturing jobs, by an order of magnitude.
3. The automation of business processes is as big a phenomenon in job shrinkage as off-shoring.
4. We are in the middle of a once every hundred years’ (or so) productivity burst—which is good for us ... in the long haul.
5. Job churn is normal and necessary: The more the better ... *in the long haul*.
6. Americans’ “unearned wage advantage” (Born in the U.S.A.) could be erased ... permanently.
7. The wholesale, increasingly upscale entry of 2.5 billion people (China, India) into the global economy at an accelerating rate is virtually unfathomable. Unfathomable = Unpredictable, exceptional challenges, amazing opportunities.
8. For any future grandkids’ sake, I relish the idea of billions of wealthy, relatively happy Indians and Chinese—rather than the idea of billions of impoverished people pissed off at wealthy Americans.
9. Free trade works. **Period.** It makes the world a safer place ... *in the long haul*. The process is not pretty at times. (Sometimes long times.) Those who dutifully followed yesterday’s rules yet are displaced must be helped when the “rules change.” Such help must not be in perpetuity—it demands a sunset date.
10. Big Companies are off-shoring/automating almost exclusively in pursuit of efficiency and shareholder value enhancement. (This is not new or news.)
11. Big companies do not create jobs, and historically have not created jobs. Big companies are not “built to last;” they almost inexorably are “built to decline.”
12. Job creation is entrepreneurially led, especially by the small fraction of “start-ups” that become growth companies (Microsoft, Amgen, FedEx et al.); hence entrepreneurial incentives including low capital-gains taxes and high R&D supports are a top priority.
13. Primary and secondary education must be reformed, in particular to underscore creativity and innovation—the mainstays of high-value added products and services. Children should be nurtured on risk-taking, with a low expectation of corporate cossetting.
14. Future success rests upon ... Excellence in Innovation. Hence, among other things, research universities must be vigorously supported.
15. National/global protection of intellectual capital-property is imperative.
16. Broadband EVERYWHERE is a National Priority ... akin to the priority placed on combating Global Terrorism.

17. All economic progression is a matter of moving up the “value-added chain.” (This is not “management speak”: think farm to factory to R&D lab.)
The good news: Technology change is so vigorous for the foreseeable future that those who can “seize the moment” have lots of room to play.
18. Worker benefits (health care, re-training credits, pensions) should be portable, to induce rather than impede labor mobility.
19. Workers have the ultimate stake. *And thus the ultimate personal responsibility.* (Think: Emerson, self-reliance.) “Workers”/we/all must “re-imagine” ourselves—take the initiative to create useful global skills, not imagine that large employers or powerful nations will protect us from the current (and future!) labor market upheavals.
20. *WE WILL NEVER AGAIN BE AS DOMINANT AS WE ARE TODAY. BUT WE CAN REMAIN IN THE TOP SPOT AS LONG AS WE OBSESS ON FIVE THINGS: RESEARCH-INNOVATION, ENTREPRENEURSHIP, EDUCATION, FREE TRADE-OPEN SOCIETY, SELF-RELIANCE.*

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“The proper role of a healthily functioning economy is to destroy jobs and put labor to use elsewhere. Despite this truth, layoffs and firings will always sting, as if the invisible hand of enterprise has slapped workers in the face.”—Joseph Schumpeter

“We erect walls to foreign trade and even discourage job-displacing innovations. But time and again through our history, we have discovered merely to preserve the comfortable features of the present, rather than reaching for new levels of prosperity, is a sure path to stagnation.”—Alan Greenspan, March 2004

“Fourteen Million Service Jobs Are in Danger of Being Shipped Overseas.”—University of California study

“One Singaporean worker costs as much as three in Malaysia, eight in Thailand, thirteen in China, eighteen in India.”—Singapore Straits Times

“WHAT ARE PEOPLE GOING TO DO WITH THEMSELVES?”—Fortune

“THERE IS NO JOB THAT IS AMERICA’S GOD-GIVEN RIGHT ANYMORE.”—Carly Fiorina, CEO, HP

“The world has arrived at a rare strategic inflection point where nearly half its population—living in China, India, Russia—have been integrated into the global market economy, many of them highly educated workers, who can do just about any job in the world. We’re talking about three billion people.”—Craig Barrett, CEO, Intel

“The notion that God intended Americans to be permanently wealthier than the rest of the world, that gets less and less likely as time goes on.”—Robert Solow, Nobel Laureate in Economics

*“The new organization of society implied by the triumph of individual autonomy and the true equalization of opportunity based upon merit will lead to very great rewards for merit and great individual autonomy. This will leave individuals far more responsible for themselves than they have been accustomed to being during the industrial period. It will also reduce the unearned advantage in living standards that has been enjoyed by residents of advanced industrial societies throughout the twentieth century.”—James Dale Davidson and Lord William Rees-Mogg, *The Sovereign Individual**

*“What strategic motto will dominate this transition from nation-state to market-state? If the slogan that animated the liberal, parliamentary nation-states was ‘make the world safe for democracy,’ what will the forthcoming motto be? Perhaps ‘making the world available’ which is to say creating new worlds of choice and protecting the autonomy of people to choose.”—Phillip Bobbitt, *The Shield of Achilles**

*“In a global economy, the government cannot give anybody a guaranteed success story, but you can give people the tools to make the most of their own lives.”
—Bill Clinton*

“Let’s compete—by training the best workers, investing in R&D, erecting the best infrastructure and building an

education system that graduates students who rank with the world's best. Our goal is to be competitive with the best so we both win and create jobs."

—Craig Barrett, CEO, Intel

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Some react with fury to the above. Their message, in effect: "You [Tom] are a spoiled brat. Fine for you. What about non-management gurus?" I am doubtless a spoiled brat—an old one with a relatively short run left, at that. But if I *weren't* a spoiled brat I don't see how I could change my message an iota: (1) Horse out of barn. (2) Restrictive policies—in the long run—devastating for individuals *and* global security. (3) Only ourselves-as-individuals left to fall back on in the end. I say ... "Hooray." You may well say ... "Oh shit." But regardless of your or my take on the nature of things, we can't change the course of history—and if that's so, then we both bloody well try and make the best of it. (AND THERE IS A LOT OF "BEST" TO MAKE.) (I THINK.) (IN FACT, MY EXCITEMENT ABOUT CREATIVE, SELF-SUFFICIENT "BRAND YOU'S" IN A TRUE "GLOBAL VILLAGE" ... LAUNCHES ME OUT OF BED IN THE MORNING!)

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"When I was growing up, my parents used to say to me: 'Finish your dinner—people in China are starving.' I, by contrast, find myself wanting to say to my daughters: 'Finish your homework—people in China and India are starving for your job.'" —Thomas Friedman

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Mr. Daniels' Idea ... GETS ME OUT OF BED IN THE MORNING. Message: (1) World gyrating madly. (2) "Stop the world, I want to get off"—NOT AN OPTION. (3) Better get going. (4) Better try something as Bold & Brave & Daring as the Bold Times cry out for—if survival is your/my game. (5) When you try Bold & Brave & Daring Stuff—bruises aplenty are your almost guaranteed lot. (6) But expending Precious Time (What else is there?) on timid excursions ("mediocre successes"—at best!) is a Certain Recipe for Economic Marginalization. (7) So ... GO FOR IT! (8) And ... *cherish* those "excellent failures" that are increasingly sure to be your lot as you claw toward survival and "new excellence" in these wondrous-madcap-maddening times.

What other path is there?
(If you can imagine one, let me know.)

Time to Get Out of Bed, methinks!

10. Swear by the motto: "Reward excellent failures; punish mediocre successes."

This idea came from successful Aussie businessman Phil Daniels. *I love it!* Got it on a PowerPoint slide—my favorite among 1,100 in my Master Presentation, upon which I base my seminars.