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The Heart of Business Strategy: 48 Things That Matter

We usually think of business strategy as some sort of aspirational market positioning statement. Doubtless that's part of it. But I believe that the number one "strategic strength" is excellence in execution and systemic relationships (i.e., with *everyone* we come in contact with). Hence I offer the following 48 pieces of advice in creating a winning strategic that is inherently sustainable*:

"Thank you." Minimum several times a day. Measure it.
"Thank you" to everyone even peripherally involved in some activity—especially those "deep in the hierarchy."
Smile. Work on it.
Apologize. Even if "they" are "mostly" to blame.
Jump all over those who play the "blame game."
Hire enthusiasm.
Low enthusiasm. No hire. Any job.
Hire optimists. Everywhere. ("Positive outlook on life," not mindless optimism.)
Hiring: Would you like to go to lunch with him-her. 100% of jobs.
Hire for good manners.
Do not reject "trouble makers"—that is those who are uncomfortable with the status quo.
Expose all would-be hires to something unexpected-weird. Observe their reaction.
Overwhelm response to even the smallest screw-ups.
Become a student of all you will meet with. Big time.
Hang out with interesting new people. Measure it.
Lunch with folks in other functions. Measure it.
Listen. Hear. Become a serious student of listening-hearing.
Work on everyone's listening skills. Practice.
Become a student of information extraction-interviewing.
Become a student of presentation giving. Formal. Short and spontaneous.
Incredible care in 1st line supervisor selection.
World's best training for 1st line supervisors.
Construct small leadership opportunities for junior people within days of starting on the job.
Insane care in all promotion decisions.
Promote "people people" for all managerial jobs. Finance-logistics-R&D as much as, say, sales.
Hire-promote for demonstrated curiosity. Check their past commitment to continuous learning.

*See also "The Have You 50" at Appendix ONE. And my tongue in cheek "Success Equations" at Appendix TWO

Small “d” diversity. Rich mixes for any and all teams.
Hire women. Roughly 50% women on exec team.
Exec team “looks like” customer population, actual and desired.
Focus on creating products for and selling to women.
Focus on creating products for and selling to boomers-geezers.
Work on first and last impressions.
Walls display tomorrow’s aspirations, not yesterday’s accomplishments.
Simplify systems. Constantly.
Insist that almost all material be covered by a 1-page summary. Absolutely no longer.
Practice decency.
Add “We are thoughtful in all we do” to corporate values list. Number 1 force for customer loyalty, employee satisfaction.
Make some form of employee growth (for all) a formal part of values set. Above customer satisfaction. Steal from RE/MAX: “We are a life success company.”
Flowers.
Celebrate “small wins.” Often. Perhaps a “small win of the day.”
Manage your calendar religiously: Does it accurately reflect your espoused priorities? Use a “calendar friend” who’s not very friendly to help you with this.
Review your calendar: Work assiduously and mercilessly on your “To don’ts.”—stuff that distracts.
Bosses, especially near the top: Formally cultivate one advisor whose role is to tell you the truth.
Commit to Excellence.
Talk up Excellence.
Put “Excellence in all we do” in the values set.
Measure everyone on demonstrated commitment to Excellence.

Appendix ONE

The Have You 50

While waiting in the Albany airport to board a Southwest Airlines flight to Reagan, I happened across the latest *Harvard Business Review*, on the cover of which was a yellow sticker. The sticker had on it the words “Mapping your competitive position.” It referred to a feature article by my friend Rich D’Aveni. His work is uniformly good—and I have said as much publicly on several occasions dating back 15 years. I’m sure this article is good, too—though I didn’t read it. In fact it triggered a furious negative “Tom reaction” as my wife calls it. Of course I believe you should worry about your “competitive position.” But instead of obsessing on competitive position and other abstractions, as the B-schools and consultants would always have us do, I instead wondered about some “practical stuff” which I believe is more important to the short- and long-term health of the enterprise, tiny or enormous.

Hence, rather than an emphasis on competitive maps or how blue your water is, I am urging you to pay attention to my “Top 50” “Have yous,” as I shall call them. The list could easily be three times longer—but this ought to keep you occupied for a while. Of course the underlying hypothesis is that if you do the stuff below your “competitive position” will improve so much that mapping will become a secondary issue! Some will rebut with the tired old saw (and silly idea) of “doing the right things” versus “doing things right.” I, for example, believe that if you do even a smidgeon of what’s below you will wildly enhance both “do the right thing” and “do things right.” (Admission: As an engineer by training and disposition, doing things right is priority #1. I am an admitted “implementation nut.”) In any event here’s my list, in no particular order:

1. Have you in the last 10 days ... visited a *customer*?
2. Have you called a customer ... *TODAY*?

Have you called a customer ... TODAY?

3. Have you in the last 60-90 days ... had a seminar in which several folks from the customer’s operation (different levels, different functions, different divisions) interacted, via facilitator, with various of your folks?
4. Have you thanked a front-line employee for a small act of helpfulness ... in the last three days?

5. Have you thanked a front-line employee for a small act of helpfulness ... in the last three *hours*?
6. Have you thanked a frontline employee for carrying around a great *attitude* ... today?

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7. Have you in the last week recognized—publicly—one of your folks for a small act of *cross-functional co-operation*?
8. Have you in the last week recognized—publicly—one of “their” folks (another function) for a small act of cross-functional co-operation?
9. Have you invited in the last month a leader of *another function* to your weekly team priorities meeting?
10. Have you personally in the last week-month called-visited an internal or external customer to *sort out, inquire, or apologize* for some little or big thing that went awry? (No reason for doing so? If true—in your mind—then you’re more out of touch than I dared imagine.)
11. Have you in the last two days had a chat with someone (a couple of levels down?) about specific deadlines concerning a project’s next steps?
12. Have you in the last two days had a chat with someone (a couple of levels down?) about specific deadlines concerning a project’s next steps ... and what specifically *you can do to remove a hurdle*? (“Ninety percent of what we call management consists of making it difficult for people to get things done.”—Peter “His eminence” Drucker.)
13. Have you celebrated in the last week a “small” (or large!) *milestone* reached? (I.e., are you a milestone fanatic?)
14. Have you in the last week or month revised some estimate in the “wrong” direction and apologized for making a lousy estimate? (Somehow you must publicly *reward the telling of difficult truths*.)
15. Have you installed in your tenure a very comprehensive customer satisfaction scheme for all *internal* customers? (With major consequences for hitting or missing the mark.)
16. Have you in the last six months had a week-long, visible, very intensive *visit-“tour”* of external customers?
17. Have you in the last 60 days called an abrupt halt to a meeting and “ordered” everyone to get out of the office, and “into the field” and in the *next eight hours*, after asking those involved, fixed (f-i-x-e-d!) a nagging “small” problem through practical action?
18. Have you in the last week had a rather thorough discussion of a “cool design thing” someone has come across—away from your industry or function—at a Web site, in a product or its packaging?

19. Have you in the last two weeks had an informal meeting—at least an hour long—with a frontline employee to discuss things we do right, things we do wrong, what it would take to meet your mid- to long-term aspirations?
20. Have you had in the last 60 days had a general meeting to discuss “things we do wrong” ... that we can fix in the next *fourteen days*?

Have you had in the last 60 days had a general meeting to discuss “things we do wrong” ... that we can fix in the next fourteen days?

21. Have you had in the last year a one-day, intense offsite with each (?) of your internal customers—followed by a big celebration fo “things gone right”?
22. Have you in the last week pushed someone to do some family thing that you fear might be overwhelmed by deadline pressure?
23. *Have you learned the names of the children of everyone who reports to you?* (If not, you have six months to fix it.)
24. Have you taken in the last month an interesting-*weird* outsider to lunch?
25. Have you in the last month invited an interesting-*weird* outsider to sit in on an important meeting?
26. Have you in the last three days discussed something interesting, beyond your industry, that you ran across in a meeting, reading, etc?
27. Have you in the last 24 hours injected into a meeting “I ran across this interesting idea in [strange place]?”
28. Have you in the last two weeks asked someone to report on something, anything that constitutes an act of brilliant service rendered in a “trivial” situation—restaurant, car wash, etc? (And then discussed the relevance to your work.)
29. *Have you in the last 30 days examined in detail (hour by hour) your calendar to evaluate the degree “time actually spent” mirrors your “espoused priorities”?* (And repeated this exercise with everyone on the team.)

Axiom: Calendars never lie.
Axiom: You = Your calendar

30. Have you in the last two months had a presentation to the group by a “weird” outsider?
31. Have you in the last two months had a presentation to the group by a customer, internal customer, vendor featuring “working folks” 3 or 4 levels down in the vendor organization?

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32. Have you in the last two months had a presentation to the group of a cool, beyond-our-industry ideas by two of your folks?
33. Have you at every meeting today (and forever more) re-directed the conversation to the practicalities of implementation concerning some issue before the group?
34. Have you at every meeting today (and forever more) had an end-of-meeting discussion on “action items to be dealt with in the next 4, 48 hours? (And then made this list public—and followed up in 48 hours.) And made sure everyone has at least one such item.)
35. Have you had a discussion in the last six months about what it would take to get recognition in local-national poll of “*best places to work*”?
36. Have you in the last month approved a *cool-different training course* for one of your folks?
37. Have you in the last month *taught* a front-line training course?

Have you in the last month taught a front-line training course?

38. Have you in the last week discussed the idea of *Excellence*? (What it means, how to get there.)

39. Have you in the last week discussed the idea of “Wow”? (What it means, how to inject it into an ongoing “routine” project.)
40. Have you in the last 45 days assessed some major process in terms of the details of the “experience,” as well as results, it provides to its external or internal customers?
41. Have you in the last month had one of your folks attend a meeting you were supposed to go to which gives them unusual exposure to senior folks?
42. Have you in the last 60 (30?) days sat with a trusted friend or “coach” to discuss your “management style”—and its long- and short-term impact on the group?
43. Have you in the *last three days* considered a professional relationship that was a little rocky and made a call to the person involved to discuss issues and smooth the waters? (Taking the “blame,” fully deserved or not, for letting the thing-issue fester.)
44. Have you in the last ... *two hours* ... stopped by someone’s (two-levels “down”) office-workspace for 5 minutes to ask “What do you think?” about an issue that arose at a more or less just completed meeting? (And then stuck around for 10 or so minutes to listen—and visibly taken notes.)

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45. Have you ... in the last day ... looked around you to assess whether the diversity pretty accurately maps the diversity of the market being served? (And ...)
46. Have you in the last day at some meeting gone out of your way to make sure that a normally reticent person was engaged in a conversation—and then thanked him or her, perhaps privately, for their contribution?

47. Have you during your tenure instituted very public (visible) presentations of performance?
48. Have you in the last four months had a session specifically aimed at checking on the “corporate culture” and the degree we are true to it—with all presentations by relatively junior folks, including front-line folks? (And with a determined effort to keep the conversation restricted to “real world” “small” cases—not theory.)
49. Have you in the last six months talked about the *Internal Brand Promise*?
50. Have you in the last year had a full-day off site to talk about individual (and group) aspirations?

Appendix TWO

Attending to the “Last 98%”: The New “Management Science,” or “Hard Is Soft, Soft Is Hard”

Success Is a Function of* ...

$$S = f(\#DR; -2L, -3L, 4L, I\&E)$$

Success is a function of: Number and depth of relationships 2, 3, and 4 levels down inside and outside the organization

$$S = f(SD > SU)$$

Sucking down is more important than sucking up—the idea is to have the entire organization working for you.

$$S = f(\#non-FF, \#non-FL)$$

Number of friends, number of lunches with people not in my function

$$S = f(\#FF)$$

Number of friends in the finance organization

*These are obviously not true equations. But in honor of my engineering background and the need to have a little fun to make my serious points, I chose this format to summarize what I've presented above.

$$S = f(\text{OF})$$

Number of oddball friends

$$S = f(\text{PDL})$$

Purposeful, deep listening—this is *very* hard

$$S = f(\text{\#EODD3MC})$$

Number of end-of-the-day difficult (you'd rather avoid) "3-minutecalls" that sooth raw feelings, mend fences, etc

$$S = f(\text{UFP, UFK, OAPS})$$

Unsolicited favors performed, UFs involving co-workers' kids, overt acts politeness-solicitude toward co-workers' spouses, parents, etc.

$$S = f(\text{\#TN} + \text{\#C})$$

Number of thank you notes sent, number of people consulted about an issue-decision (courtesy Roger Rosenblatt)

$$S = f(\text{SU})$$

Showing up (Woody Allen, Delaware's ridiculous influence on the Constitution of the USA)

$$S = f(\text{1D})$$

Seeking the assignment of writing first drafts, minutes, etc (1787)

$$S = f(\text{\#SEAs})$$

Number of solid relationships with Executive Assistants

$$S = f(\%UL/w-m)$$

% useful lunches per week, month

$$S = f(FG, FOC-BOF, CMO)$$

Favors given, favors owed collectively, balance of favors, conscious management thereof

$$S = f(CPRM, TS)$$

Conscious-planned Relationship management, time spent thereon

$$S = f(TN/d, FG/m, AA/d)$$

Thank you notes per *Day*, flowers given per Month, Acts of Appreciation per Day

$$S = f(PTA100\%A\text{“T”}S, E\text{“NMF”}—TTT)$$

Proactive, timely, 100% apologies for “tiny” screwups, even if not my fault (it always takes two to tango)

$$S = f(AMR, NBS-SG)$$

Acceptance of mutual responsibilities for all affairs, no blame-shifting, scape-goating.

$$S = f(APLSLFACT)$$

Awareness, perception of little snubs—and lightening fast correction thereof

$$S = f(G)$$

Grace

$$S = f(GA)$$

Grace toward adversary

$$S = f(GW)$$

Grace toward the wounded in bureaucratic firefights

$$S = f(PD)$$

Purposeful decency

$$S = f(MB\text{“TSS”}MR)$$

Purposeful management of this Soft Stuff by people reporting to me

$$S = f(EC, MMO)$$

Emotional connection, mgt & maintenance of

$$S = f(IMDOP)$$

Investment in Mastery of detailed organization processes

$$S = f(H-TS)$$

Time spent on Hiring

$$S = f(TSPD, TSP-L1)$$

Time spent on promotion decisions, especially for 1st level managers

$$S = f(\% \text{“SS,” H-PD})$$

% soft stuff involved in Hiring, Promotion decisions

$$S = f(\text{TWA, P, NP})$$

Time wandering around, purposeful, non-planned

$$S = f(\text{SBS})$$

Slack built into Schedule

$$S = f(\text{TSHR})$$

Time spent ... Hurdle Removing

$$S = f(\%TM \text{“TSS,”} \\ PM \text{“TSS,”} \\ D \text{“TD” “TSS”})$$

Success is a function of: % of time, measured, on this *Soft Stuff*, purposeful management this *Soft Stuff*, daily “to do” concerning “*this Soft Stuff*”

Q: But where's the
beef?

A: *This is the beef!*