Organizational Excellence

Let’s talk a little bit about internal organizational excellence. Twenty-five or so years ago, Bob Waterman and I wrote a book called *In Search of Excellence*. And our principle number two (action was number one) was “close to the customer.” There’s nobody in the world who feels more strongly about that than I do. On the other hand, a good friend of mine by the name of Hal Rosenbluth put it in terrific perspective. Hal took over a little “family travel business” called Rosenbluth International, or whatever it was—Rosenbluth Travel, I think at the time—and built it into a multi-billion dollar enterprise, which he subsequently sold to American Express.

It must have been 10 or 12 years ago now when Hal wrote a book, and the title of the book was *Putting the Customer Second*. And the point was—obvious as can be, often honored in the breach—if you want to put the customer first, then the *more* important customer is the person who *serves* the customer. And so, while I *don’t* want us to forget the focus on the outside world, what I *am* saying is that at the—Look, classic example, alright. We spend 500 million dollars, 700 million dollars, a billion dollars, we build the most glorious, gorgeous, professional sports stadium that anybody has ever seen. Wow, ain’t it incredible. As a result, the fans pour in, the place is full every Sunday or whatever—depending on the sport, whatever time it is. By year three, if the record of the team is a losing record, the people start *not* coming. And so it is the innards, it is the quality of the roster.

The way I’ve described it in the past is the difference between brand inside and brand outside. I’ll scream it, I’ll shout it, but fundamentally the brand *is* the talent. I’m not against big marketing programs, I’m not against big advertising programs. Absolutely necessary. But, those advertising programs or marketing programs—whether it’s Boeing, whether it’s Body Shop, or whether it’s a seven-person business—those programs are dependent on the talent of the people throughout the organization.
Organizational excellence, execution, the people at the front line. Put the customer second by putting the people who serve the customer at the very top of your concern. It is your role in life to serve them; it is your role in life to help them get excited and grow.