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# **Everything You Need to Know About Strategy:** A Baker's Dozen Eternal Verities

### Re-imagine!

Technicolor Times demand ...

Technicolor Leaders and Boards who recruit ...

Technicolor People who are sent on ...

Technicolor Quests to execute ...

Technicolor Projects in partnership with ...

Technicolor Customers and ...

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

Technicolor Goals and Aspirations fit for ...

Technicolor Times.















"Strategy" is essentially about "knowin' where you're goin." Not, mostly, a bad idea; though with today's market gyrations—and market gyration velocity—that's increasingly difficult to do, a chimera, a distraction even. For me, "knowin' who you're goin' with" tops the list of imperatives in a world of whitewater, and knowin' that those you're goin' with share your passion and determination—and the flexibility of mind to adjust and adjust on a dime. All of which is to say I'm not, and never have been, a champion of the management school of thought that says, or implies, "Get the strategy right [big word, "right"!], and the rest, as in all good things, will more or less automatically follow." In fact I think such a view—admittedly not as prevalent today as it used to be, in the wake of everything from huge bankruptcies to 9/11—is total crap.

So what *do* you need to know about "strategy"? That was the question I was asked recently by a rather contentious, die-hard academic strategy buff. (These ideas tend to die hardest in academic settings—where the stakes are so low.) My answer, in brief, follows:\*

Do you have awesome Talent ... everywhere? ("We are the Yankees of home improvement here in Omaha.") Do you push that Talent to pursue Audacious Quests?

"The first thing is to hire enough talent that a critical mass of excitement starts to grow." —Tina Brown















<sup>\*</sup>See "Recap" on the next page for a list of all 13 assertions.

#### Recap: All You Need to Know About Strategy

- 1. Do you have awesome Talent ... everywhere? ("We are the Yankees of home improvement here in Omaha.") Do you push that Talent to pursue Audacious Quests?
- 2. Is your Talent Pool loaded with wonderfully peculiar people whom others would call "problems"? And what about your Extended Community of customers, vendors, et al.?
- 3. Is your Board of Directors as cool as your product offerings ... and does it have 50 percent (or at least one-third) Women Members?
- 4. Long-term, it's a "Top-line World": Is creating a "culture" that cherishes above all things Innovation and Entrepreneurship your primary aim? Remember: Innovation ... not Imitation!
- 5. Are the Ultimate Rewards heaped upon those who exhibit an unswerving "Bias for Action," to quote the coauthors of In Search of Excellence? Are your OODA loops shorter than the next guy's?
- 6. Do you routinely use hot, aspirational words-terms like "Excellence" and BHAG (Big Hairy Audacious Goal, per Jim Collins) and "Let's make a dent in the Universe" (the Word according to Steve Jobs)? Is "Reward excellent failures, punish mediocre successes" your de facto or de jure motto?
- 7. Do you subscribe to Jerry Garcia's dictum: "We do not merely want to be the best of the best, we want to be the only ones who do what we do"?
- 8. Do you elaborate on and enhance Jerry G's dictum by adding, "We subscribe to 'Best Sourcing'—and only want to associate with the 'best of the best."















- 9. Do you embrace the new technologies with child-like enthusiasm and a revolutionary's zeal?
- 10. Do you "serve" and "satisfy" customers ... or "go berserk" attempting to provide every customer with an "awesome experience" that does nothing less than transform the way she or he sees the world?
- 11. Do you understand ... to your very marrow ... that the two biggest under-served markets are Women and Boomers-Geezers? And that to "take advantage" of these two Monster "Trends" (FACTS OF LIFE) requires fundamental realignment of the enterprise?
- 12. Are your leaders accessible? Do they wear their passion on their sleeves? Does integrity ooze out of every pore of the enterprise? Is "We care" your implicit motto?
- 13. Do you understand business mantra #1 of the '00s: DON'T TRY TO COMPETE WITH WAL\*MART ON PRICE OR CHINA ON COST? (And if you get this last idea, then see the 12 above!)

It's the people, stupid! It's the people on the roster of your favorite baseball team or ballet company—or in the 6-person finance department or 300,000-person home improvement giant. Bob Taylor, who created Xerox's startlingly innovative "PARC" (Palo Alto Research Center), was described by a colleague as a "connoisseur of talent." (Nice!) Limited founder Les Wexner said he became a true institution builder when he began to take as much pleasure picking people as he'd previously had picking trendy clothing. "People people do people"—to coin a not particularly sparkling phrase. Incidentally, this is a trait, I've observed, that starts (or fails to start!) early—with the class president in 10th grade who picks a Great Cabinet of intriguing talents, not just a collection of sycophants.













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The question then quickly becomes: What do we *do* with this Great Talent we've recruited? And my answer is now clear: *Send them out on Inspiring Quests!* I love the word ... Quest. It conjures everyone from Columbus to Copernicus to King to Thatcher to Mary Kay Ash. (But not 90 percent of the world's cubicle slaves—alas.) The successful boss is no shrinking violet when it comes to audacious moves, but nonetheless she or he aims to have this Great Collection of Talent *surprise* and *delight* (stun, amaze, etc\*) (\*cool words are ... cool) him or her by heading off to explore territories ("Here Be Dragons") that neither could have imagined; if the boss is not routinely surprised as to where his Talent has taken him, then said boss is an unworthy talent selector-user.

In their extraordinary book, *Organizing Genius*, Warren Bennis and Patricia Ward Biederman make these two statements:

"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."

Either statement leaves me breathless. What monumental aspirations: *Free ... do ... Absolute Best. Discover ... Greatness*. Doesn't this ... perfectly ... encapsulate the problem with 99 out of 100 organizations? People are hardly "free" to "do absolute best" and "discover greatness." My view: This should be every boss's mantra, every employee's aim—or else we are settling for de-motivation and mediocrity, and no strategy, no matter how clever or wise, will save us.













One last word/caution. Re-read the above: People people do people. It's surely true for a General Manager in the National Football League. And it should be equally true for boss of a 4-person training department. Mantra: *People people do people ...* **25/8/53**.

Is your Talent Pool loaded with wonderfully peculiar people whom others would call "problems"? And what about your Extended Community of customers, vendors, et al.?

Okay, I acknowledge this is just another way of saying, *It's the people, stupid!* So ... what's wrong with repeating myself when it comes to this "All-time Top #1" tune? I do want to add a twist. We're seeking adventurers, right? (See my riff above on creating Quests.) Adventurers tend to be a bit (or more) quirky. They travel paths of their own making. Their commitment shows on their sleeves ... sometimes to the annoyance of "company men." I say: It's a weird time! Bring on the Misfits!

Picked up your kid's history book lately? A Misfits Almanac ... right? Alexander the Great. Napoleon. Drake. Nelson. Joan d'Arc. De Gaulle. Churchill. Jefferson. Hamilton. Copernicus. Gates. (You get the drift.) Troublemakers one and all! What we take for granted between the covers of a 9th-grade history text we need to import to our little-big corner of the enterprise: Welcome history makers! I.e.: Welcome freaks! May you become the Susan B. Anthony of Logistics at good ole XYZ Corp!

For years, decades actually, the Oakland Raiders topped the league in mercilessly competitive professional football. Iconoclast (iconoclast = good word) owner Al Davis picked up misfits' contracts for a song—and gave them a new lease on life in Raider Silver and Black. I love the notion of "The Oakland Raiders of ... Finance."













"The Oakland Raiders of ... Housekeeping." The "Oakland Raiders of ... Drug Discovery."

Incidentally (not so incidentally!), I'd extend this Keystone Idea to customers, vendors, and our entire extended enterprise family. I embrace the idea of a Zoo of Peculiars, pushing one another to perform on or past the edge: "Lead (pioneer-peculiar-audacious) customers" dragging the company toward remarkable future moonscapes; inventive-zany-audacious vendors causing the company to question every fundamental assumption about doing business; and so on.

So: How do you do (MEASURE IT!) on the Weirdness-Misfits-Pioneers Scale?

Is your Board of Directors as cool as your product offerings ... and does it have 50 percent (or at least one-third) Women Members?

"The bottleneck is at the top of the bottle," strategy guru Gary Hamel reminds us.
"Where," he asks rhetorically, "are you likely to find people with the least diversity of experience, the largest investment in the past, and the greatest reverence for industrial dogma?" His answer, obvious to anyone except the incumbents: "At the Top."

I can only say, "Amen!" And add: The Board ought to bear at least some slight resemblance to the market we serve/aim to serve. In general, Boards do no such thing!

For example, I've been studying for eight years women's impact on buying decisions, consumer and commercial. It's enormous—including over 50 percent of consumer electronics purchases. So why was I recently introduced to the just-appointed first woman board member at ... Sony?















I'm not urging quotas, but I am saying that, for instance, Deborah Tannen's book title, You Just Don't Understand, perfectly captures the communications-understanding "gap" between the sexes. In fact, if it had been my book the title would have been, You Just Can't Understand. If you were to examine a set of representative board bios, and use my measure, you'd have to assume that the firm's market was limited to V-OWGs (Very Old White Guys).

Gender. Race. Age. You name it, and the board composition is an embarrassment. No, I take that back. Scratch "embarrassment." Substitute: Stupid. As in, *economically* stupid. (We're talking profit maximization here, not social justice.)

The women's market is enormous. The Hispanic market is by far the fastest growing in the U.S. (Find me an Hispanic board member!) Youth are often trendsetters, especially as the new technologies increasingly come into play anywhere and everywhere. (Find me a board member under 35!)

But let me go back to my chief hobbyhorse ... Women. I'll be blunt: I see no excuse, save an open acknowledgement of stupidity, for less than one-third of board members being female. (And I'd like that number to be-approach 50 percent, frankly.) Hint: I think (know!) this is an issue of the utmost "strategic" importance. To go to the animating spirit of this essay, Who the hell cares what the "strategy" of the enterprise is ... if the Engine of Governance (Board) is completely, maliciously misaligned with the market served?



Long-term, it's a "Top-line World": Is creating a "culture" that cherishes above all things Innovation and Entrepreneurship your primary aim? Remember: Innovation ... not Imitation!















Flash: Jeff has halted Jack's buying binge!

Immelt is Jeff, CEO of GE. Jack is Welch, former CEO of GE. At the moment of transition, Jack apparently told Jeff to blow old (Jack's) GE up. Jeff apparently listened. Consider this from *Business 2.0* in its July 2004 issue: "Welch was to a large degree a growth-by-acquisition man. 'In the late '90s,' Immelt says, 'we became business traders and not business growers. Today organic growth is absolutely the biggest task of every one of our companies. If we don't hit our organic revenue targets, people are not going to get paid.' Immelt has staked GE's future growth on the force that guided the company at its birth and for much of its history: breathtaking, mind-blowing, world-rattling technological innovation."

Love that: breathtaking ... mind-blowing ... world-rattling.

Now consider this parallel assertion from the most imaginative, free-thinking business commentator of the day, Seth Godin: "This is an essay about what it takes to create and sell something remarkable. It is a plea for originality, passion, guts, and daring. You can't be remarkable by following someone else who's remarkable. One way to figure out a great theory is to look at what's working in the real world and determine what the successes have in common. But what could the Four Seasons and Motel 6 possibly have in common? Or Neiman Marcus and Wal\*Mart? Or Nokia (bringing out new hardware every 30 days or so) and Nintendo (marketing the same Game Boy for 14 years in a row)? It's like trying to drive looking in the rearview mirror. The thing that all of those companies have in common is that they have nothing in common. They are outliers. They're on the fringes. Superfast or superslow. Very exclusive or very cheap. Extremely big or extremely small. The reason it's so hard to follow the leader is this: The leader is the leader precisely because he did something













remarkable. And that remarkable thing is now taken—so it's no longer remarkable when you decide to do it."

\* \* \* \* \*

"The short road to ruin is to emulate the methods of your adversary."

—Winston Churchill

\* \* \* \* \*

Immelt and Godin (and Churchill) are onto something, even though they've traveled different roads to get there. We are assaulted by a siege of "me too" ... at exactly the wrong time, at a time of profound and rapid change coming from every point of the compass at literally the speed of light over a fiber optic cable. It is thus a moment that cries out for profound innovation, from the CIA and FBI headquarters to the Corporate Boardroom. (Start innovating in the Boardroom itself ... see above concerning board homogeneity.)

Cultural commentator Paul Goldberger, writing about retail in the *New York Times Magazine*, called this troublesome phenomenon "the sameness of things." "While everything may be better," he asserted, "it is also increasingly the same." Barry Gibbons took over an ailing Burger King some years ago and made the same assessment Goldberger did. He called it "Nightmare #1," or, more precisely, "When we did it 'right' it was still pretty ordinary." Gibbons continues on a more general note: "I thought, 'What a dreadful mission I have in life.' I'd love to get six-thousand restaurants up to spec, but when I do it's 'Ho-hum.' It's bugged me ever since. It's one of the great paradoxes of modern business. We all know distinction is key, and yet in the last twenty years we have created a plethora of ho-hum products and services.















Just go fly in an airplane. It could be such an enlightening experience. Ho-hum. We swim in an ocean of ho-hum, and I'm going to fight it. I'm going to die fighting it."

Another prominent CEO would seem to agree with Gibbons. Soon after arriving at once premier innovator Hewlett-Packard, Carly Fiorina declared, "We make over three new product announcements a day. Can you remember them? Our customers can't!" Likewise, a renowned industry analyst explained the dramatic incursion of the discount providers in his industry, "Customers will try 'low cost providers' ... because the Majors have not given them any clear reason not to."

And in *Funky Business*, Swedish business "strategy" professors Kjell Nordström and Jonas Ridderstråle ice the cake as they offer these trenchant observations: "The 'surplus society' has a surplus of *similar* companies, employing *similar* people, with *similar* educational backgrounds, coming up with *similar* ideas, producing *similar* things, with *similar* prices and *similar* quality. To succeed we must stop being so goddamn normal. In a winner-takes-all world, *normal* = *nothing*."

These assertions, from a diverse set of movers and shakers, observers and prime movers, capture my sentiments exactly—and offer the unassailable case, as I see it, for a renewed emphasis on Fundamental Innovation. Or, recall per Immelt: breathtaking ... mind-blowing ... earth-rattling.

The problem: A "culture change" of the first order is requisite, from the Boardroom to B-school. We saw the boardroom is the ultimate "sameness of things." And a recent examination of leading B-schools revealed that not a single one had a Core Course on … innovation. (Good God!)













But the problem manifested in the B-school curriculum starts much earlier. Consider this lament from Jordan Ayan, in his book Aha!: "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." (Good God ... redux.)

The implications of a perverse set of educational incentives are all too aptly summarized by Richard Farson and Ralph Keyes in Whoever Makes the Most Mistakes Wins: "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." (Uncle!)

In the face of an enormous set of challenges, from uncertainty induced by the threat of terrorism to the dramatic rise of India and China as competitors, only a national (from the classroom to the boardroom) commitment to re-kindling the flames of "mind-blowing," "earth-rattling" Entrepreneurship and Innovation will change the odds currently stacked against continued U.S. economic dominance.

Bottom line: No promotion to senior levels of public or private enterprise should ever again be granted to anyone who does not present a CV saturated by a clear and compelling demonstration of sustained commitment to Radical Change. Do we













wish for "good strategists"? Why not! But the heart of the matter goes far beyond any plan, no matter how brilliant. The heart of the matter is Heart & Will ... a record of upsetting apple carts, dislodging "establishments" and fundamentally altering deep-rooted "cultures" to embrace change of the most primal sort. I titled my most recent book Re-imagine! Business Excellence in a Disruptive Age. "Excellence" in a "disruptive age" is not excellence amidst placid waters. The notion of excellence itself changes ... dramatically. We need our public and private Churchills, leaders who can re-imagine, who can call forth wellsprings of daring and guts and spirit and spunk, from one and all, to topple the way things may have been for many generations—and who inspire us to venture forth into today's and tomorrow's whitewaters with insouciance and bravado and determination.

\* \* \* \* \*

" Acquisitions are about buying market share. Our challenge is to create markets. There is a big difference." —Peter Job, former CEO, Reuters

\* \* \* \* \*

Are the Ultimate Rewards heaped upon those who exhibit an unswerving "Bias for Action," to quote the coauthors of In Search of Excellence? Are your OODA loops shorter than the next guy's?

Some call the late John Boyd the most original military strategist in 1,000 years. True or not, his influence has been profound. His ideas about "maneuverability" as the sine qua non of military effectiveness, long on the back burner (during the Cold War standoff between sluggish behemoths), have marched front and center in the new age of instability, ambiguity, and terrorism.













At the heart of Boyd's thinking is an idea labeled "OODA Loops." OODA stands for the Observe-Orient-Decide-Act cycle. In short, the player with the quickest OODA Loops disorients the enemy to an extreme degree. In the world of aerial combat, for example, the confused adversary subjected to an opponent with short OODA cycles often flies into the ground rather than becoming the victim of machine gun fire or a missile. Boyd is careful to distinguish between raw speed and maneuverability. In aerial dogfighting in Korea (Boyd's incubator), Soviet MiGs flown by Chinese pilots were faster and could climb higher, but our F-86 had "faster transients"—it could change direction more quickly; hence our technically inferior craft (by conventional design standards) achieved a 10:1 kill ratio. (Read more in Robert Coram's Boyd: The Fighter Pilot Who Changed the Art of War.)

\* \* \* \* \*

"Blitzkrieg is far more than lightning thrusts that most people think of when they hear the term; rather it was all about high operational tempo and the rapid exploitation of opportunity." —Robert Coram, Boyd

"We must transform not only our armed forces but also the Defense Department that serves them—by encouraging a culture of creativity and intelligent risk-taking. We must promote a more entrepreneurial approach: one that encourages people to be proactive, not reactive, and to behave less like bureaucrats and more like venture capitalists; one that does not wait for threats to emerge and be 'validated,' but rather anticipates them before they appear and develops new capabilities to dissuade and deter them." —Donald Rumsfeld, Foreign Affairs















The application to a war against non-traditional enemies is obviously fertile ground for these notions. But I contend that private enterprise needs a hearty dose of the same medicine that Secretary Donald Rumsfeld is serving to the reluctant Navy and Army and Air Force. (Not surprisingly, at least in retrospect, the Marines take to this stuff like a duck to water.) In other work, my *Leadership11* special presentation, I call it, perhaps awkwardly, "metabolic management." The unconventional idea is that the leader is directly responsible for the organization's Metabolic Rate—the "quick transients" and "high tempo" which "unravel the competition" in Boyd-world. My hero is actually a draft dodger. That is, Captains of Industry would do well to adopt Ali's fabled dictum-mantra: "Float like a butterfly, sting like a bee."

And if there is one thing that traditional enterprise is not designed to do, especially after bulking up via monster mergers aimed at fending off yesterday's adversaries, it's floating like a butterfly and stinging like a bee. "The lines that we drew on our neat organizational diagrams," write Frank Lekanne Deprez & René Tissen in *Zero Space: Moving Beyond Organizational Limits*, "have turned into walls that no one can scale or penetrate or even peer over." Erasing those lines will arguably be Job One for today's and tomorrow's leaders. Among them is IBM's new chief, Sam Palmisano. At the core of his transformation strategy is instilling an ability, as *Fortune* reported, "to assemble SWAT teams of hardware, software, services, research, and salespeople to cure customers' headaches." I.e.: Learning to float like a butterfly and ...

\* \* \* \* \*

"Chivalry is dead. The new code of conduct is an active strategy of disrupting the status quo to create an unsustainable series of competitive advantages. This is not an age of defensive castles, moats and armor. It is rather an age of cunning, speed and surprise. It may be hard for some











to hang up the chain mail of 'sustainable advantage' after so many battles. But hypercompetition, a state in which sustainable advantages are no longer possible, is now the only level of competition." —Rich D'Aveni, Hypercompetition: Managing the Dynamics of Strategic Maneuvering

\* \* \* \* \*

Bob Waterman and I cottoned on to a variation of this idea (and our own variety of Deprez and Tissen's depressing diagnosis) over twenty years ago, as we researched what became In Search of Excellence. We wandered the world of Big Organizations in search of answers—driven specifically by the fact that so many "brilliant" strategies (among them ones that we at McKinsey had helped concoct) were executed so poorly. Fact was, at the "excellent companies" we found a lot less emphasis than we'd expected on the strategy per se, and instead a persistent focus on simply doing stuff, not talking it to death. As I've come to call it: "Business Problem One: Too much talk, too little do!" This finding, observed in particular in 1980 at the likes of HP and 3M, was codified as the first of our "eight basics" of excellent performance: A Bias for Action. While some of our ideas have needed substantial burnishing in the subsequent two decades, this one, as I see it, remains Exec Job One! By my lights, for example, the abiding and sustaining feature of GE's success is its determination to get results—and its performance fetish at all levels of the firm. GE was once (the '70s) known as home to a mass of MBA-strategic planners, but it has been trademarked from Edison to Immelt by an abiding bias for action/results/performance.

The problem is that no "strategy," no collection of words no matter how brilliant, will make much difference when it comes to this topic. A "bias for action" is a Deep Cultural issue—the Deep Cultural issue, for that matter. Instilling such a bias begins with the front-line recruiting process and continues all the way to the selection of the















CEO. "Doers" were probably frenetically doing by Age 7 ... and "ditherers" were probably distractedly dithering by Age 7!

\* \* \* \* \*

Kevin Roberts on "Strategy":

- 1. Ready. Fire! Aim.
- 2. If it ain't broke, break it!
- 3. Hire crazies!
- 4. Ask dumb questions.
- 5. Pursue failure.
- 6. Lead, follow, or get out of the way.
- 7. Spread confusion.
- 8. Ditch your office.
- 9. Read odd stuff.
- 10. Avoid moderation.

Note: Roberts is CEO of Saatchi & Saatchi Worldwide.

\* \* \* \* \*

Do you routinely use hot, aspirational words-terms like "Excellence" and BHAG (Big Hairy Audacious Goal, per Jim Collins) and "Let's make a dent in the Universe" (the Word according to Steve Jobs)? Is "Reward excellent failures, punish mediocre successes" your de facto or de jure motto?

Message: Hot begets Hot! (Cold begets Cold.)

And ... you heard it here first!















Don't get me started! My life's work has been to re-paint dry and dreary "management talk" in Technicolor hues! I simply don't believe biz is dry and dreary. I believe it's about people creating things for people. (Great Thai food at a restaurant or a pacemaker from Medtronics.) People serving people. People growing and achieving beyond their dreams—one Wow Project at a time.

Yes, I am the Guru of Hot, the (Business) Maestro of Technicolor, the Evangelist of Energy, the Wizard of Wild & Weird—and damned proud of it!

I'm still in love with "excellence." "Exceeds expectations" is catching a bus from point A to point B and arriving roughly on time and without anything untoward happening. "Excellence" is an ... Absolutely, Positively Supercalifragilistic expialidocious evening partaking of a Cirque du Soleil performance in Las Vegas. So: Why can't a business process re-engineering project measure up to the CSPS? (Cirque du Soleil Performance Standard.) Answer: If the biz project fails on the "CSPS" score ... it is because of the shriveled imagination of the leader. Period. Call me corny. Call me naïve. (At age 61, please!) But I am unequivocally convinced that any activity, no matter how apparently humble, can be turned into a Work of Magnificent Art. (Okay, I'm drafting this during the Athens Olympics. One can understand Gymnastics as pure art, but Table Tennis? Give me a break. Well, Olympic table tennis is, literally, breathtaking ... eh?)

Jim Collins (most recently *Good to Great*) calls for BHAGs ... Big, Hairy Audacious Goals. Nice! Apple's Steve Jobs exhorts a new product team, "Let's make a dent in the universe." Nice! The late adman David Ogilvy charges a creative staffer with making an ad for kids' clothing that's "immortal." (Nice again.) Well, you get the drift. Great Aspirations (CSPS) don't ensure great results. But you can be sure that the absence of Great Aspirations will ensure non-great results.















\* \* \* \* \*

"You never hear a Swiss say, 'I want to change the world.' We need to take more risks."—Xavier Comtesse, on the establishment of Swiss House for Advanced Research & Education in Cambridge, Massachusetts

\* \* \* \* \*

There's a corollary to all this that's of the utmost importance. If reaching for the moon is routine, then falling short will also occur more than infrequently. Consider Phil Daniels, a successful Australian businessman. At a seminar I gave in Sydney, he felt compelled to rise from the audience and share his wisdom with us. I'm eternally grateful that he did. "My success," he told us, "is due in large measure to a simple philosophy, 'Reward excellent failures, punish mediocre successes."

#### Wow!

While Daniels' advice, I think, is fit for the ages, it's today's nutty times that are my bailiwick. And in nutty times, with the playing fields morphing by the moment, time devoted to a "mediocre success" is a tragic waste. No less. (Yes ... "tragic" waste.) I once heard legendary GE boss Jack Welch say about the same thing. Nobody at GE during his watch, he told us, got in trouble for "swinging for the fences and missing." The mortal sin was, instead, spending two years on a project "which, even if it worked, wouldn't make the earth wobble a bit on its axis."

Some like it hot! I happen to be among them. Along with Jobs, Ogilvy, Daniels, Welch, et al. As Fast Company put it when reviewing Re-imagine!: "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." Thanks!













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7

## Do you subscribe to Jerry Garcia's dictum: "We do not merely want to be the best of the best, we want to be the only ones who do what we do"?

Doug Hall, P&G vet and long-time proprietor of Eureka Ranch, is my favorite marketing guru. One reason is his ... Declaration of Dramatic Difference. Well, he doesn't call it that—I do. In Jump Start Your Business Brain, Hall gives us his Three Laws of Marketing Physics. The Law of Dramatic Difference is number three. It goes this way. Prospective customers evaluate a new product. Then they're asked (1) if they'd buy it and (2) if they see it as "unique." The firm's execs in turn evaluate and weigh the prospective customers' reactions. Without fail, the execs deciding to launch or not bet close to one-hundred of their marbles on the intent-to-buy question, and virtually ignore the uniqueness issue. The problem, or should I say "THE PROBLEM": In actual fact the intent-to-buy response is a poor predictor of subsequent real-world success (or failure), while the "uniqueness" assessment almost perfectly predicts the true response to the product.

Maybe all those execs Hall has been coaching for the last twenty years should have listened to the Grateful Dead's Jerry Garcia: "We do not merely want to be the best of the best, we want to be the only ones who do what we do."

Cirque du Soleil redux, eh? It's the ultimate BHAG: "only ones who do what we do."

#### (Only = Big Word.)

None of Hall's client execs get it. Damn few anywhere get it. I decry those 100 percent shriveled imaginations, to be sure. (Not my kind of guys. Any of 'em.) But I also decry the subsequent poor economic performance of the enterprises—the copycats, looking only to do a bit more of what we do with a twist or two, or to copy-the-lead-















er. "To grow," wrote W. Chan Kim and Renée Mauborgne in "Think for Yourself—Stop Copying a Rival" (Financial Times), "companies need to break out of a vicious cycle of competitive benchmarking and imitation. Aiming to beat the competition has the opposite effect to the one intended. It keeps companies focused on the competition. When asked to build competitive advantages, managers typically rate themselves against competitors, assess what they do and strive to do it better." Don Listwin, CEO of Openwave Systems, has the guts to put numbers around this idea: "How do dominant companies lose their position? Two-thirds of the time, they pick the wrong competitor to worry about." Listwin was referring to Nokia's recent problems, which he attributes to copying Microsoft and offering a jillion overly complicated features that customers simply weren't pining for. But to me a thousand alarm bells went off from my 35-year career in business. U.S. Steel worries exclusively about foreigners—and is late to the local mini-mill party (Nucor, et al.). GM and Ford relentlessly follow each other—and dismiss the Japanese for years, even decades. Xerox does the same thing, gnashing teeth over IBM and Kodak and overlooking the Japanese. IBM, on the other hand, sees Siemens and Fujitsu in its dreams—and misses Microsoft (et al., et al.). And so on ... and on.

Jerry G. sets a high standard ... but is there any other in this madcap world?

\* \* \* \* \*

Richard Branson on "Strategy":

Follow your passions.

Keep it simple.

Get the best people to help you.

Re-create yourself.













Play.

Source: Fortune on Sir Richard Branson, Virgin Group

\* \* \* \* \*

Do you elaborate on and enhance Jerry G's dictum by adding, "We subscribe to 'Best Sourcing'—and only want to associate with the 'best of the best."

I was described in public as a "radical" by a senior Japanese official, during a Summer 2004 conference in Nagano. (Actually, which I guess even amplifies the label, he was a Japanese-American, who spent much of his career in Silicon Valley.) I retorted sharply that I was no such animal! Alas, he'd been taking detailed notes during my presentation. "But didn't you say you could readily imagine a \$50 billion corporation, perhaps in pharmaceuticals, which had only two full-time employees you and one other. And 'outsourced' everything else?" Then he added (see Number 3 above) that "one of the two would, of course, be a woman."

I agreed he'd taken accurate notes—but still denied the radical label. I waffled a little, and allowed as how I didn't expect to see anything so extreme in the near future—but the concept made perfect sense to me.

And it does.

(Particularly the bit about the woman.)

I'm cribbing here from British management guru Charles Handy, who said years ago, "Organizations will still be critically important in the world, but as 'organizers,' not













**←** 26/82 **→** 



'employers." The conference I was attending was a Client get-together, sponsored by India's Infosys—the most exciting, farsighted company I've come across in years and years. Thus I could imagine Infosys doing our IS/IT. The best-most interesting of the biotechs would do our R&D. UPS would handle any and all supply chain issues. Best of breed specialists would also perform clinical trials. Omnicom would execute the entire marketing chore on a turnkey basis—and perhaps we'd contract with one of "old pharma" to do the selling (though I believe that specialist, Internet-based "sales" firms may usurp Big Pharma's sales role, too). And on. (And on.) Finally, my female partner and I would contract with a project management consultancy to orchestrate the overall network.

Economist writers John Micklethwait and Adrian Wooldridge also beat me to this piece of "radical" turf in their book *The Company*. They imagined tomorrow's Ford Motor Company as simply a "vehicle brand owner" which would "design, engineer, and market cars, but not actually make them." My punch line in the Infosys presentation had been: "Not 'out sourcing.' Not 'off shoring.' Not 'near shoring.' Not 'in sourcing.' But ... 'Best Sourcing.'" That is, while I acknowledge the increasingly nasty politics of "off shoring," I believe it miscasts the long-term economic excellence debate. Companies that attempt to be "best at everything" are doomed. I further believe that every unit in the traditional firm (logistics, IS/IT, HR, finance, R&D, marketing, sales, etc.) must offer proof positive that it is, to mimic Mr. Garcia, "the only ones who do what we do"—or at least equivalent to the best of the best.

Meanwhile, my partner at Lean Staffed Pharmaceuticals Inc. and I will be photographed in the subcontracted Annual Report seated behind a desk over which one can see a gilt-framed picture of Forrest Gump, with his immortal quote in bold lettering at the bottom: "DON'T OWN NOTHIN' IF YOU CAN HELP IT. IF YOU CAN, RENT YOUR SHOES."















## Do you embrace the new technologies with child-like enthusiasm and a revolutionary's zeal?

Sysco!

**Sysco** bet the company. On the new technology. The food distribution giant delayed for years IS/IT maintenance projects that others would have declared essential. Instead the IS/IT budget was aimed squarely at a "bet the company" strategy to leapfrog the competition by a decade. At this point implementation is on track, and the CIO claims that his boss (the CEO) is squarely staking his career on this enormous, transforming project.

IS/IT is a mere "tool"—but, as in Dell-world or Sysco-world, IS/IT has the power to do ever so much more, to re-invent entire industries and upend the competitive pecking order in the process. If ...

If ... the boss has vision and guts. Former PepsiCo CEO Roger Enrico lays out the challenge in no uncertain terms: "Beware of the tyranny of making Small Changes to Small Things. Rather, make Big Changes to Big Things."

Doubtless IT's biggest challenge (and opportunity) lies in the realm of national security. Though billions upon billions have been spent on federal, state, and local IS/IT programs by well-intentioned professionals, the results have been less than satisfactory. The whole idea of thoroughly modern IS/IT is the right information at the right place at the right time. But as the *Boston Globe* reported on 30 September 2001, that's hardly been the result. "In an era when terrorists use satellite phones and encrypted email," the paper concluded, "U.S. gatekeepers stand armed against them















with pencils and paperwork, and archaic computer systems that don't talk to each other." Which is why the following report is so stunning!

Peacekeeping in Afghanistan and Iraq has been problematic, to say the least. Nonetheless, the initial warfighting in both theaters was a sharp departure from the past—driven, make no mistake, by newfound IS/IT effectiveness. Consider this startling (if history is your guide) 2002 report from *Business 2.0* editor Ned Desmond, titled "Broadband's New Killer App":

- "Dawn Meyerreicks, CTO of the Defense Information Systems Agency, made one of the most fateful military calls of the 21st century. After 9/11 ... her office quickly leased all the available transponders covering Central Asia. The implications should change everything about U.S. military thinking in the years ahead.
- "The U.S. Air Force had kicked off its fight against the Taliban with an ineffective bombing campaign, and Washington was anguishing over whether to send in a few Army divisions. Donald Rumsfeld told Gen. Tommy Franks to give the initiative to 250 Special Forces already on the ground. They used satellite phones, Predator surveillance drones, and GPS and laser-based targeting systems to make the air strikes brutally effective.
- "In effect, they 'Napsterized' the battlefield by cutting out the middlemen (much of the military's command and control) and working directly with the real players. ... The data came in so fast that HQ revised operating procedures to allow intelligence analysts and attack planners to work directly together. Their favorite tool, by the way, was instant messaging over a secure network."











Adios, colonels (middle managers) by the personnel-carrier load! Welcome, direct agency and inter-service, bureaucracy-free communication among those who do the work on the sharp end! It's that simple—and that profound.

\* \* \* \* \*

Not your father's health care establishment: "Our entire facility is digital. No paper, no film, no medical records. Nothing. And it's all integrated from the lab to X-ray to records to physician order entry. Patients don't have to wait for anything. The information from the physician's office is in registration and vice versa. The referring physician is immediately sent an email telling him his patient has shown up. ... It's wireless inhouse. We have 800 notebook computers that are wireless. Physicians can walk around with a computer that's preprogrammed. If the physician wants, we'll go out and wire their house so they can sit on the couch and connect to the network. They can review a chart from 100 miles away." —David Veillette, CEO, Indiana Heart Hospital, from *HealthLeaders* 

\* \* \* \* \*

Nothing less than an appetite for dramatic overthrow of 250 years of Industrial Revolution enterprise structures will do. As I said: It's that simple—and that profound.

Do you "serve" and "satisfy" customers ... or "go berserk" attempting to provide every customer with an "awesome experience" that does nothing less than transform the way she or he sees the world?













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 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 <a href="ecompany.com">ecompany.com</a>, "wants to take over the sweet spot in the endless loop of goods, information, and capital that all those packages [it moves] represent." <a href="BusinessWeek">BusinessWeek</a> 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 now and forevermore.

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 sell 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 "it" that pre-occupies everyone from UPS to Starbucks is "experiences." As in providing remarkable 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













← 32/82 →



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. And as usual with true transformations, "culture change" (not concocting the "right strategy") is the necessary aim and test. One premier strategy buff who took that lesson aboard, albeit reluctantly, was former IBM CEO Lou Gerstner. "If I could have chosen not to tackle the IBM culture headon, I probably wouldn't have," Gerstner wrote in Who Says Elephants Can't Dance. "My bias coming in was toward strategy, analysis, and measurement. In comparison, changing the attitude and behavior of hundreds of thousands of people is very, very hard." Gerstner's was a full-fledged conversion: "I came to see, in my time at IBM, that culture isn't just one aspect of the game—it is the game."

In this case even "culture change," daunting as it is, is not a fully adequate term. Requisite is a particular type of culture change that flies in the face of most traditional training and development practices of, say, the last hundred or more years. "Most managers," says 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 a new degree, an MMM (Master of Metaphysical Management) to supplant the MBA? 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."

\* \* \* \* \*

- "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 business tour 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) and a cuppa java (Starbucks).

Feel free to choose your favorite term: "experience economy," "dream society," "dreamketing," or some other. No matter what your choice is, the operative idea remains: NOT OPTIONAL.

- Do you understand ... to your very marrow ... that the two biggest under-served markets are Women and Boomers-Geezers? And that to "take advantage" of these two Monster "Trends" (FACTS OF LIFE) requires fundamental realignment of the enterprise?
  - "War has broken out over your home-improvement dollar, and Lowe's has superpower Home Depot on the defensive. Its not-so-secret ploy: Lure women."—Forbes.com
  - "The New Customer Majority [ages 44-65] is the only adult market with realistic prospects for significant sales growth in dozens of product lines











for thousands of companies."—David Wolfe & Robert Snyder, Ageless Marketing

"Baby-boomer Women: The Sweetest of Sweet Spots for Marketers."— David Wolfe and Robert Snyder, Ageless Marketing

Marketers use powerful new tools to reduce "segments" into ever thinner slices even "slices of one," according to the new Dogma of One-to-One Marketing. I'm an unabashed champion of the new tools. Nonetheless their use should not be an excuse for stupidly ignoring something much bigger: the potential of realigning the enterprise to better serve Women and Boomers-Geezers. These two overwhelming forces are still ignored or absurdly undervalued by the vast majority of companies, large or small, consumer oriented or business-to-business oriented. And make no mistake: "Getting with the program" is not about "segmentation"; it's about (Here I go again!) wholesale "cultural" realignment of the enterprise.

#### Women = Opportunity No. 1

Start with women. 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. (major "home projects") ... 80%















Consumer Electronics ... 51% (66% home computers)

Cars ... 68%

All consumer purchases ... 83%

Bank Account ... 89%

Household investment decisions ... 67%

Small business loans/biz starts ... 70%

Health Care ... 80%

And it's not just consumer purchases. In the U.S., for example, women account for more than half of professional purchasing officers, admin officers, and HR officials. Hence, "she" is just about as likely to sign the P.O. for a \$5 billion IS/IT outsourcing contract as for the family Mercedes. (By the way, when it comes to those consumer goods, perhaps you'd be interested to know that, lingering wage inequalities notwithstanding, women's income rose 63 percent over the last three decades, while men's crept up by 0.6 percent. I've got hundreds of "gotcha" stats like that, painstakingly collected over the last eight years. Many are presented in my book *Re-imagine!*)

So women buy "all the stuff." The second Big Fact is that ... you heard it here first ... women and men are different in their approach to purchasing things. Trendspotting guru Faith Popcorn summarizes: "Men and women don't think the same way, don't communicate the same way, don't buy for the same reasons. He simply wants the transaction to take place. She's interested in creating a relationship. Every place that women go, they make connections." In America's Competitive Secret: Women













Managers, Judy Rosener adds, "Women speak and hear a language of connection and intimacy, and men speak and hear a language of status and independence. Men communicate to obtain information, establish their status, and show independence. Women communicate to create relationships, encourage interaction, and exchange feelings."

These clear and compelling truths have structural implications of the first order for enterprises. Faith Popcorn and Lys Marigold's bible on this, *EVEolution: The Eight Truths of Marketing to Women*, provides one of the few roadmaps for considering such fundamental realignment. Consider "Truth" No. 1: "Connecting Your Female Consumers to Each Other Connects Them to Your Brand." "The 'Connection Proclivity' in women starts early," Popcorn and Marigold write. "When asked, 'How was school today?' a girl usually tells her mother every detail of what happened, while a boy might grunt, 'Fine.'"

It's good for a knowing laugh—and jillions of dollars in revenue, if you get it right. Bottom line on this sample First Truth: "Women don't buy brands. They join them."

A brilliantly successful Manhattan financial planner (male!) confirmed the Popcorn-Marigold "truth." Years ago he successfully re-oriented his practice toward serving women's needs. He told me that his average male client recommends him to 2.6 others; his average female client spreads the word to 21 colleagues. Such striking (gaping!) differences have become staples of my eight-year quest for understanding.

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#### "Secrets" of Marketing to Women

1. Show her "real" women and reliable scenarios.













- 2. Focus on connection and teamwork.
- 3. Capture her imagination by using stories.
- 4. Make it multisensory.
- 5. Add the little extras.
- 6. Tap the emotional power of music.
- 7. Create customer evangelists.
- 8. Form brand alliances.

Source: Lisa Johnson & Andrea Learned, Don't Think Pink: What Really Makes Women Buy and How to Increase Your Share of This Crucial Market

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Let me be clear. I am on a mission here. But, alas, it has little to do with social justice, or any other lofty aim. My aims are economic. I believe the Business Opportunity is enormous (women's purchasing power in the U.S., consumer and business goods and services combined, is about \$6 trillion) ... and that damn few enterprises are embracing the Business Opportunity at the level of Fundamental Enterprise Realignment. Further, I believe that those who shortchange this opportunity are simply ... stupid.

To conclude on a slightly less rancorous note, I'll offer my summary remarks as they appear on a PowerPoint slide I use to conclude this segment of my presentations:

1. Men and women are different.















- 2. Very different.
- 3. VERY, VERY DIFFERENT.
- 4. Women & Men have a-b-s-o-l-u-t-e-l-y nothing in common.
- 5. Women buy lotsa stuff.
- 6. WOMEN BUY A-L-L THE STUFF.
- 7. Women's Market = Opportunity No. 1.
- 8. Men are (STILL) in charge.
- 9. MEN ARE ... TOTALLY, HOPELESSLY CLUELESS ABOUT WOMEN.
- 10. Women's Market = **Opportunity No. 1**.

### Boomer Bonanza/Godzilla Geezer

Hooray, time to pick on marketers again! Their preferred mantra: "It's 18-44, stupid!" My suggested "variant": "18-44 is stupid, stupid!" (Ah, that S-word, again ... Stupid. Well, can't be helped.)

Start with the simple stats: The cherished (by stupid marketers) 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 27 percent ... and the 55-64 bunch will leap by a staggering 47 percent. (Yikes.) (Note: "Boomers," born between '46 and '64, number about 78 million in the U.S.) (Note: These U.S.













← 40/82 →



numbers pale by comparison to the even more extreme aging stats coming out of Western Europe and Japan.) (Note: Another designation comes from Wolfe and Snyder's Ageless Marketing, quoted above; they offer the "new customer majority," the enormous-wealthy group who are currently between age 44 and age 65.)

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. 10 immediately above—more reinforcement for the notion I championed.)
- One more time: VERY FEW FIRMS ARE AGRESSIVELY ADDRESSING THIS ISSUE-OPPORTUNITY. ("Addressing" = Realigning "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

\* \* \* \* \*

So ... two enormous opportunities. Going wanting in 9 out of 10 cases. Why? Is it more than stupidity?

Are your leaders accessible? Do they wear their passion on their sleeves? Does integrity ooze out of every pore of the enterprise? Is "We care" your implicit motto?

Maybe "We care" didn't matter so much in the days of traditional industrial enterprise. Perhaps the old boss's mantra was more like "Show up. Shut up. Or starve." But now I think it's fair to say, morality aside, "We care" is ... Not Optional.

A researcher at Nomura Securities' Nomura Research Institute said we've been through the Age of Agriculture and the Industrial Age. We're in the Age of Information Intensification, but on the horizon is the next (last?) stage: the Age of Creation Intensification.











I'd agree. And ... the point ... an Age of Creation Intensification is as far away as one can imagine from "Show up. Shut up. Or starve." In an Age of Creation Intensification the boss's mantra (is he a boss?) is more like: "Help! Please help! Please commit your heart and soul and imagination to inventing clever and wonderful services-solutions-experiences-dreams come true. Join with me in inventing an Adventure, a Quest worth your time and my time and our clients' time and money." ("Boss-as-beggar-supplicant-before-the-alter-of-Talent" rather than "boss-as-drillsergeant" comes to mind as an appropriate image.)

Do I paint an unrealistic picture? In a word ... no! Technology and globalization in all of their manifestations put organizational models and career models and leadership models up for grabs. (Media guru Marshall McLuhan once said, "If it works, it's obsolete." Soooo true of organizational arrangements, circa 2004.) The current winners I described above (UPS, IBM, and Omnicom in business "services," for instance) are forging completely new paths to an unknown and unknowable future. They will only progress if there is True Partnership among all parties to the enterprise—workers (Talent!!), Best Sourcing alliances, Cool & Pushy Clients, and the remaining minimalist superstructure. And such a True Partnership demands as a price of entry (a minimal reason for Seriously Cool Talent to "sign up"): Unstinting Integrity, Total Transparency, Passion-on-our-sleeves, and Spirit to burn (remember Steve Jobs: "Let's make a dent in the universe"). Once more, I remind: I'm not suggesting the above because I think it's "cool" or "right" or "good." I'm "suggesting" (demanding!) such an approach because there's not much likelihood that you can do otherwise and survive in a truly global, technology-rich, ambiguity-laden "age of creation intensification."

Q.E.D.















# Do you understand business mantra #1 of the '00s: DON'T TRY TO COMPETE WITH WAL\*MART ON PRICE OR CHINA ON COST? (And if you get this last idea, then see the 12 above!)

"Clients want either the best or the least expensive; there is no inbetween."—from Secret Service, by John DiJulius

Business as usual is dead. And I, for one, say ... "Hurray." (See above, #12: "Show up. Shut up. Or starve.") John DiJuius gets it. He is a wildly successful, wildly passionate service-experience fanatic ... who runs a small chain of beauty salons. He can't compete with Regis on price. What's "left": BE BETTER! BE BEST! BE "THE ONLY ONES WHO DO WHAT WE DO!"

John Di Julius wakes up in the morning with the same issues (and opportunities) that confront GE's Jeff Immelt and IBM's Sam Palmisano when they roll out of bed. "It's not your father's world." (In Immelt's case, "It's not Jack Welch's world." See #4 above on Jeff's newfound commitment to "breath-taking, mind-blowing, world-rat-tling" innovation.)

In short: DON'T TRY TO COMPETE WITH WAL\*MART ON PRICE OR CHINA ON COST. Try instead to be "the only ones who do what we do"—whether the tableau is a 1-person accountancy, a 10-chair beauty salon, a 400,000-person behemoth, or your/my career as newly minted "Brand You."

My bottom line: HOW SWEET IT IS!

Cubicle slavery is on its last legs.

Commodity strategies are by and large bankrupt.

Passion and commitment matter most.













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**Creativity wins.** The individual reigns. We're on our own.

(Ben Franklin would chuckle with delight!)

(Henry Ford would be horrified!)











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## Ten Good Reasons to "Get Up in the Morning"

"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:

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 pizzeria, or 57, as President of the U.S.A.—I think a day at work ought to be a

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### Ten Good Reasons to "Get Up In The Morning"

- 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.)
- 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.
- 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!
- Underscore the importance of/stupendous opportunities associated with the "cool new markets": Women, Boomers and Geezers, Hispanics, Greenies, Wellness.
- 7 Dramatically re-orient 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."















#### continued from p. 46

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.

\* \* \* \* \*

"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

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











**←** 48/82 **→** 



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.

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











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latter, for instance, is labeled "abnormal behavior," and subject to drugging—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.

\* \* \* \* \*

- "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

\* \* \* \* \*













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?

Dream as if you'll live forever. Live as if you'll die today.

—James Dean

















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.

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're 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 wacky 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-imagineer'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")

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.)















\* \* \* \* \*

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

\* \* \* \* \*

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

\* \* \* \* \*

"Society is based on male standards with women seen as anomalies deviating from the male norm."—Bi Puvaneu, Institute for Future Studies (Stockholm)

\* \* \* \* \*

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

\* \* \* \* \*













"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?)

\* \* \* \* \*

# 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"!)

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:

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 Furnishings94%
Vacations 92%
Houses
D.I.Y. (incl. major "home projects") 80%
Consumer Electronics
(66% home computers)
600/
Cars 68%
All consumer purchases
All consumer purchases 83%
All consumer purchases

(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+ "seqment" in the U.S. will increase by a hearty 27 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.)
- One more time: VERY FEW FIRMS ARE AGRESSIVELY ADDRESSING THIS ISSUE-OPPORTUNITY. ("Addressing" = Re-aligning "culture" to Embrace the Boomers-Geezers.)

\* \* \* \* \*

- "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

\* \* \* \* \*

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 sooooooooo very much fun to Ruffle the Preening Feathers of the Old White Guys who "run" our "best" Corporations!

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"—deathstyle?

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 pre-dispositions. (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 Yous 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 <a href="ecompany.com">ecompany.com</a>, "wants to take over the sweet spot in the endless loop of goods, information and capital that all the packages [it moves] represent." <a href="BusinessWeek">BusinessWeek</a> 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."

\* \* \* \* \*

- "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

\* \* \* \* \*

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"!

\* \* \* \* \*

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.

\* \* \* \* \*

## 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'etre 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!)

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:

- "Off-shoring" will continue; the tide cannot be reversed.
- 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.
- 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 cosseting.















- 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.

\* \* \* \* \*

"The proper role of a healthily functioning economy is to destroy jobs and to 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 persons 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 YOUS" IN A TRUE "GLOBAL VILLAGE" ... LAUNCHES ME OUT OF BED IN THE MORNING!)

\* \* \* \* \*













"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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### 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.

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!













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## **Tom's Summer of Soul: Not For Everybody!**

"The autopsy revealed that his coronary arteries were clean. The heart attack had been caused by a spasm of the coronary vessels, directly induced by hostility, resentment, impatience, fear and exaggerated feelings of being indispensable."—Deepak Chopra, M.D., *Creating Health* 

"Stop. Look. Listen."—Patrick Whiteside, Happiness

My first—and perhaps correct—inclination is not to share. This is private. Moreover, we all start our journeys toward Greater Awareness as a result of a unique set of circumstances that capture us and turn us toward action at a particular point in time—and not a moment before. Finally, what I am feeling is tender and largely untested, and, like 99 percent of New Years Resolutions, may not stand the test of time.

Nonetheless I am compelled to write a little something—in case, just as beach season unfolds, I happen to catch a single soul in the place I was five weeks ago.

On the surface, my life is a lark, if indeed a trying one, given, for instance, the emotional and physical wear and tear of 200 nights a year on the road, 26 years running. But it felt like no lark just five weeks ago. The work had suddenly (or was it a long accrual?) ceased to be either fun or rewarding, the strain of too much too much was wreaking havoc on health and relationships. (There's more—not so pretty—which I have no intention of sharing.)

So on 7 June 2004 I made a return trip to my favorite haven, Canyon Ranch/ Berkshires. Last year I went for two weeks to work on my body—physiology. This year I went for five weeks to work on my ... soul.















Report: *Unequivocally the best five weeks in my life.* (Which, at 61, is saying something.)

As many know, I've been a long-time, passionate champion of women's causes. In the process I've given men short shrift—after all, we've been the ruling class approximately forever, so a hand up is hardly our just dessert.

#### Or is it?

I did a lot of reading at Canyon Ranch (see suggestions below), nothing more important than Sam Keen's *Fire in the Belly*. The following quotes exploded in my head (and heart!) like snipers' bullets:

- "One day, out of nowhere, you realize you don't know who you are, and none of the cards in your wallet provide the slightest clue to your real identity."
- "When men who have spent their formative years in extroverted action first turn toward the unknown country of the soul, they soon reach a desert—the vast nothingness. Before rebirth comes the painful awareness that we have long been dead. Before feeling comes the dreadful knowledge that we have been anesthetized and are numb."
- "Little did we understand that by doing the manly thing, girding up our loins, pulling in our guts, pushing out our chests, and constricting our breathing, we forced most feelings into exile in our unconscious."
- "Perhaps the greatest price men have paid for their obsession with fearlessness is to have become tough on the outside, but empty within. We are hollow men."















"We reduced our world to an arena in which courage is constantly demanded and the other virtues—patience, honesty, kindness, contentment, wisdom—are not cultivated."

Strong language, you say. Over the top? Perhaps for you. Not for me. My reaction (relative to only myself): Right on. And: God help me.

Hence my fabulous month. Session after session with psychotherapists. Yoga. Chi Gong. Tai Chi. West African drumming. Visualization. Mind-mapping. Massage. Pilates. Cardio stress tests. Blood analysis. Healing sound therapy.

And ... learning to breathe!

Call it meditation, and it has connotations that put some off. So don't call it meditation if you don't want to. Call it breathing. It took me five weeks. At age 61, odd as it sounds, I have begun to learn to breathe ... and it has saved my life and is helping to save (or at least helping me find) my soul.

One respected Australian M.D. says right breathing is more important to sustained mental and physical health than dieting, exercise, or ceasing to smoke. Fortunately, we don't have to make the tradeoff.

So the healing sounds (CDs) stay on in the background for me all the time now. There are fresh flowers and, yes, scented candles in my writing studio. I start the morning with Chi Gong out by our lower Farm pond, and take 20-minute breathingmeditation breaks twice a day—as well as "mini-med" breaks hourly. (Hey, I even practiced walking breathing-meditation while in the seemingly endless Denver airport security line last week. And, yikes, it worked.) Construction plans are getting under-













way for a Japanese bath, and a meditative labyrinth in my very own Field of Dreams on the farm. And so on. And on.

Both years at Canyon Ranch have been miracle times. Last year I focused on diet and exercise. (Bring on the flax seed!) (More fish oil!) I lost 40 pounds, and at least as important radically altered my blood chemistry to the point that a damn near diabetic diagnosis in July 2003 has been supplanted by a ridiculously normal set of readings 11 months later—one key indicator dropped by 90 percent! (The right diet plus exercise can actually reverse decades of abuse, even at 61, not just fend off further deterioration.) My cholesterol went from somewhat high to abnormally low: Yes, I was just told to get my cholesterol up! (Bring back the cheese?) A score or more other indicators have also jumped from red-zone to dark green.

As to my work, I'm re-energized, as I haven't been in a decade. I am wildly excited about getting back on the road, and beginning to put some much deeper meaning into what I do. (Just watch!) And ... Wow! ... I am seeing things—like the glory of my Vermont farm—for the first time. I am 10X more aware of my surroundings than I was five weeks ago. Great advice from one book: Stop! Look! Listen! (Not my style ... waaaay back in June.)

Will it last? As they chant in AA, one day at a time. So who knows? Pessimistic by nature, I am optimistic about this. Concerning those pointed Sam Keen quotes, I've begun to discover what I call my "missing half." And I don't intend to let it out of my grasp! It has quickly become precious to me. (Paradoxically, I caught myself thinking, this glorious morning, "I could die now—at least I'd know I'd lived." And I couldn't say that five weeks ago.) As Deepak Chopra put it once, "The full experience of your inner self is the most important and transforming adventure you will ever have."











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Susan (my wife): "You seem so much more relaxed."

Me: "Not 'relaxed,' 'at peace.""

\* \* \* \* \*

Among other things, hats way off to Canyon Ranch. The ambience (Lenox, MA) is fabulous, the staff is world class, and the approach is not dictatorial or doctrinaire. "CR" is my "safe house" relative to these new and scary and profound experiments in living-being.

And of course, hats off to my wife, Susan Sargent, who bullied me into seeing that I was turning sour in the twilight—and insisted that I get me back to Canyon Ranch. From now on I'll be visiting every six weeks for a "soul check" with my mentors (a stark contrast to yesterday's Keen-ian "gut checks").

This may not be for you! I would have said the same five weeks ago. Tom? Yoga? Drumming? Meditation? Stop? Look? Listen? Never!

Well, "never" arrived, in the nick of time.















The pick of my summer reading:

Fire in the Belly: On Being a Man, Sam Keen

The Instinct to Heal: Curing Stress, Anxiety and Depression without Drugs and without Talk Therapy, David Servan-Schreiber, M.D.

The Calm Technique: Meditation without Magic or Mysticism, Paul Wilson

Meditation for Wimps: Finding Your Balance in an Imperfect World, Miriam Austin

Creating Health, Deepak Chopra M.D.

Ultra-Prevention, Mark Hyman, M.D. and Mark Liponis, M.D. (Co-medical directors of Canyon Ranch)

A Morning Cup of Yoga, Jane Goad Trechsel

Freeze Frame: One Minute Stress Management, Doc Childre

The Five People You Meet in Heaven, Mitch Albom

Walden, Henry David Thoreau

Over to you ...











