Excellence.

NO EXCUSES!

71 Ways to Launch Your Journey.

NOW.

Tom Peters

21 April 2014

To

John Hetrick

Inventor of the auto air bag, 1952

This plea for ***Excellence*** *is a product of Twitter, where I hang out. A lot. Usually, my practice is a comment here and a comment there—driven by ire or whimsy or something I've read or observed. But a while back—and for a while—I adopted the habit of going off on a subject for a semi-extended period of time. Many rejoinders and amendments and (oft brilliant) extensions were added by colleagues from all over the globe.*

So far, some **71** *"tweetstreams" (or their equivalent from some related environments) have passed (my) muster—and are included herein.**

There is a lot of bold type and a lot of ***RED*** *ink and a lot of (red) exclamation marks (!) in what follows. First, because I believe this is important stuff. And second, because I am certain there are no excuses for not cherrypicking one or two items for your T.T.D.N. list. (Things To Do NOW.)*

Excellence.
No Excuses.
Now.

*Note: These pieces, by definition, are loosely linked. Hence, on several occasions you will find duplication. I cannot imagine you will read this treatise in a linear fashion; thus each aims to fit the overall theme but also stand alone, which, upon occasion, seemed to call for duplications.

Epigraph: The *ACCELERATING* Rate of Change

"The greatest shortcoming of the human race is our inability to understand the exponential function." **—Albert A. Bartlett***

from Erik Brynjolfsson and Andrew McAfee, *The Second Machine Age,

"Moore's Law and the Second Half of the Chessboard"/"Change" is *not* the issue—change has always been with us. But "this time" may truly be different. The ACCELERATION of change is unprecedented—hence, the time for requisite action is severely compressed.

PREVIEW/EXECUTIVE SUMMARY

This Is the (OBVIOUS) Stuff I Care About.
This Is the (OBVIOUS) Stuff, the Absence of Which Sends Me Into a … BLIND RAGE.

33 BFOs/"Blinding Flashes of the OBVIOUS"
Anybody Listening???????????

BFO #1: If you (RELIGIOUSLY) help people—EVERY SINGLE PERSON, JUNIOR OR SENIOR, LIFER OR TEMP—grow and reach/exceed their perceived potential, then they in turn will bust their individual and collective butts to create great experiences for Clients—and the "bottom line" will get fatter and fatter and fatter. (ANYBODY LISTENING?) (PEOPLE FIRST = MAXIMIZED PROFITABILITY. PERIOD.) (ANYBODY LISTENING?) (FYI: *"People FIRST" message is 10X more urgent than ever in the high-engagement "AGE OF SOCIAL BUSINESS."*)

Note: **In 1985, I gave a 2-day seminar to YPO members in Manhattan. As we moved to close, I asked for feedback. Early on, a chap by the name of Manny Garcia got up to speak—Manny, who became a pal, was one of Burger King's top franchisees. He began, "I really didn't hear anything new in the two days"—you could have heard my sharp intake of breath from the back row. He continued, "I'd add that this was probably the best seminar I've attended in my many years in business." Huh? "I'd call it a 'BLINDING FLASH OF THE OBVIOUS.' We KNOW all these things—but time and again we fail to relentlessly practice them." In retrospect, I consider Manny's feedback to be the best I've ever gotten.**

There will be … GUARANTEED … nothing new in the 500+ pages ahead. We know putting people REALLY first translates into mid- to long-term growth and maximized profitability. SO WHY DON'T WE DO IT? We know … GREAT TRAINING … pays for itself 100 times over—in business just much as in sports and the arts. SO WHY DON'T WE DO IT? We know a simple "THANK YOU" is the greatest of all motivators. SO WHY DON'T WE DO IT? And on—and on—it goes.

Frankly, I am in a rotten mood. If I was preaching rocket science, and people didn't "get it," that'd be one thing. But each of the 27 points in this brief introductory section and each of the 71 items in the main body amount to, beyond doubt, a … BLINDING FLASH OF THE OBVIOUS.

Damn it! Let's get a move on! It is indeed obvious, which leads to the subtitle of this book …

NO EXCUSES!

BFO 2: ENABLING "ALL HANDS" GROWTH IS LEADER DUTY #1. (And ALL good things flow therefrom.)

BFO 3: The "CTO"/Chief Training Officer should (MUST!) be on a par with the CFO/CMO.

Training = Investment #1.

(8 of 10 CEOs see training as an "expense," not an investment/prime asset booster.) ("*Our training courses are so good they make me want to giggle.*" "*Our trainers are on the same pay scale as our engineers.*") (In a 45-minute "tour d'horizon" of the enterprise: GUARANTEE 9 of 10 CEOs* [*10 of 10?] wouldn't once mention training.
THAT = DISGRACE.)

BFO 4: OUT-READ 'EM. AGE 17. AGE 77. 2014: READ & GROW … or wilt.
(One financial services superstar pegs CEO prob. #1: "They don't read enough.") STUDENTHOOD (OBSESSION THEREWITH) (for ALL of us) FOR LIFE!

BFO 5: Organizations exist for ONE reason … TO BE OF SERVICE. PERIOD. (And effective leaders in turn are … SERVANT LEADERS. PERIOD.)

BFO 6: The … **HEART OF THE MATTER** (e.g., productivity, quality, service) … is the typically under-attended … **FIRST-LINE BOSS.** (Your FULL CADRE of first-line bosses is arguably a … **"TOP 3" ASSET.**)

BFO 7: WTTMSW. (Whoever Tries The Most Stuff Wins.) **WTTMSASTMSUTFW.** (Whoever Tries The Most Stuff And Screws The Most Stuff Up The Fastest Wins.)
READY. FIRE. AIM.
Practical translation #1: Winning through the discipline of **QUICK PROTOTYPES.** Winners: **"RELENTLESS EXPERIMENTATION."**
"A Bias for Action": #1 Success Requisite in 1982.
"A Bias for Action": #1 Success Requisite in 2014.

BFO 8: "Fail faster. Succeed sooner."
"FAIL. FORWARD. FAST."
"Fail. Fail again. Fail better."
"REWARD excellent failures. PUNISH mediocre successes."
Book/Farson: *Whoever Makes The Most Mistakes Wins*.
We do NOT "accept"/"tolerate" failures.
WE CELEBRATE FAILURES.

BFO 9: Enabling change: It's **NOT NOT NOT** about "vanquishing (ignorant) foes." **It's ALL ALL ALL about recruiting and nurturing …**

ALLIES.

BFO 10: The Gospel of **"SMALL WINS."**
You and your Allies cobble together a skein of successful trials ("small wins"); momentum around this portfolio of demos more important than any high-investment Big Victory.
(**ALLIES + SMALL WINS + MOMENTUM = UNSTOPPABLE.**)

BFO 11: **Year = 220 lunches. WASTE NOT ONE.** Cross-functional SNAFUs are the #1 problem for most orgs. Software … WILL NOT … fix it. ONLY … "Social Stuff" works—e.g., makin' pals in other functions; lunch = Strategy #1.

Goal: **XFX**/Cross-Functional Excellence … or die trying.

BFO 12:

Excellence is NOT an "aspiration."
Excellence IS the next 5 minutes.
(Or not.)

BFO 13: ***In Search of Excellence*** **theme song:**

"Hard is soft. Soft is Hard."

(E.g., Numbers are the "soft stuff"—witness the crash. Solid relationships/integrity/trust/teamwork = True "hard stuff.")
Strategy is important.
Systems are important.
CULTURE is … MORE IMPORTANT.
(Serious change = Tackling the culture. PERIOD.)
(Even "Mr. Analysis," in his autobiography, Lou Gerstner, IBM turnaround CEO, reluctantly acknowledged culture's unequivocal primacy in the big-change-game.)

BFO 14: We Are What We Eat =

WE ARE/BECOME WHO WE HANG OUT WITH. **("Hang out with 'cool' and thou shalt become more cool. Hang out with 'dull' and thou shalt become more dull.") RELIGIOUSLY/ CONSCIOUSLY MANAGE "HANG OUT."**
EVERY "hang out decision" **(employees/customers/ vendors/consultants/lunch mates/board composition/locale/etc.)** **is a … STRATEGIC INNOVATION DECISION.** **(Diversity [ON ANY DIMENSION YOU CAN NAME] is an imperative in confusing times.)**
(Hire for … CURIOSITY. EXPLICITLY.)

BFO 15: 2011: Apple's market cap surpasses ExxonMobil's. Why? D-E-S-I-G-N. Are YOU obsessed by … DESIGN?

(In EVERY nook and EVERY cranny of EVERY tiny or humongous enterprise—*and* in your own professional affairs.) (DESIGN is an instinctive STATE OF MIND as well as a set of practices.)
(Less than EXCELLENCE in functionality = Unacceptable.)
(Less than SUPER-COOL in aesthetics = Unacceptable.)

BFO 16: LBT/TGR MULTIPLIER POWER.

Ceaselessly seek the LBTs/Little BIG Things.
"Small stuff" … BIG Impact: Walmart increases (mere) shopping basket size, small appliance sales up 50%. Reducing TGWs/Things Gone Wrong is invaluable. BUT … put at least as much effort into remorselessly accumulating TGRs/THINGS GONE RIGHT.
(E.g. Disney's OBSESSION with memorable Starts & Finishes courtesy … PARKING LOT EXCELLENCE.)

BFO 17:

WOMEN BUY EVERYTHING.

WOMEN ARE THE MOST EFFECTIVE LEADERS.

WOMEN ARE THE MOST SUCCESSFUL INVESTORS.

(Does your organization … UNMISTAKABLY … reflect that from stem to stern?)

(“This will be the women’s century.”

—Dilma Rousseff, president of Brazil, opening address to U.N. General Assembly/first woman to keynote the opening session)

BFO 18: KEEP ADDING VALUE.

IBM To IBM: From Machine dominance to Business Services dominance.

UPS to UPS: From delivering Parcels to managing Logistics Systems.

(“Transactional customer SATISFACTION” to “Systemic customer SOLUTIONS.”)

(EVERYONE’s game. Tiny. Giant. EVERY industry.)

BFO 19: Forget B-I-G. (100% of biggies UNDER-perform long-term.) Instead build national wealth around …

"MITTELSTAND" companies—

MIDSIZE SUPERSTAR NICHE/ MICRO-NICHE DOMINATORS

—in ANY category you can name. (C.f., Germany's Mittelstand worldbeaters—#1 global exporter for years.)

(Battle cry: "BE THE BEST. IT'S THE ONLY MARKET THAT'S NOT CROWDED." WHY ELSE BOTHER?)

(FYI: ANYTHING/EVERYTHING is subject to MIND-BOGGLING ADDED-VALUE/DIFFERENTIATION. (BANISH the word … "commodity.")

BFO 20: The problem is RARELY the problem. The lackluster RESPONSE to the problem is invariably the real problem. Answer? Slavishly adhere to these two response commandments: LIGHTNING-FAST RESPONSE OVERKILL. UNEQUIVOCAL QUICK-TIME APOLOGY.

BFO 21: **What do people (most) desire—including thee and me?** **ACKNOWLEDGEMENT.**

So: Show your appreciation … BIG TIME/ALL THE TIME. (Track it … RELIGIOUSLY!) ("Acknowledgement" is … THE MOST POWERFUL WORD IN THE LEADER'S VOCABULARY.)

BFO 22: **The two most powerful words in the English language are?**

No contest: **"THANK YOU."**

(ACT ACCORDINGLY—e.g., OBSESSIVELY.)

BFO 23: **Have you done your** **MBWA/**

Managing By Wandering Around … TODAY? If not, why not? (Hint: There are … ZERO ACCEPTABLE EXCUSES.)

BFO 24: **Your CALENDAR knows your TRUE priorities. Do YOU?**

You … ARE … your calendar.

Your calendar … NEVER LIES.

(Drucker: Best bosses do ONE thing at a time.)

BFO 25: What is the individual's/organization's #1 enduring strategic asset? Easy: ASSET #1 = INDIVIDUAL AND COLLECTIVE EXCELLENCE AT … L-I-S-T-E-N-I-N-G.

(Listening can be … TAUGHT. Listening PER SE is a … PROFESSION. Are YOU a "stellar professional listener"? THINK ABOUT IT. PLEASE.)

BFO 26:

Leadership is NOT about abstractions.

Leadership IS about … mastering discreet skills.

E.g.:

"Aggressive 'professional' listener."
Meetings as leadership opportunity #1.
Expert at "helping." (Helping *"professional."*)
Fanatic about training.
Master of appreciation/acknowledgement.
Effective at apology.
Creating a culture of automatic helpfulness by all to all.
Master of hiring. (Hiring *"professional."*)
Master of evaluating people.
Student of decision-making/devastating impact of irrational aspects thereof.
Creating a no-nonsense execution culture.
Meticulous about employee development/100% of staff.
Student of the power of "d"iversity (all flavors of difference).
Making team-building excellence everyone's daily priority.
Understanding the value of matchless first-line management.

BFO 27: Aim to make EVERY internal and external experience (PRODUCT/ SERVICE/SYSTEM/EMPLOYEE INTERACTION/CUSTOMER INTERACTION/ COMMUNITY INTERACTION) a … WOW! (WOW = WOW. USE THE "W-WORD" PER SE!) (E.g., Do 4 out of your Top 5 projects score 8 or above on a 10-point "WOW Scale"? If not, get on it:
NOW.
TODAY.
WITHIN THE HOUR.)

BFO 28: EVERY DAY PROVIDES A DOZEN (LITERALLY) LEADERSHIP OPPORTUNITIES FOR EVERY ONE OF US. (Every = EVERY. From the most junior—*and even the 3-day temp*—to the Big Dudes.)

GRAB AT LEAST ONE.

BFO 29: Circa 2014+: You (me/all of us) totally misunderstand overall econ context if you choose not to start today on … RPD/Radical Personal Development.

BFO 30: **White collar work is by and large ticketed to fall prey to artificial intelligence/eye-popping algorithms as well as globalization. Stand there and take it on the chin?**

NO.

My answer (1999 book, *The Professional Service Firm 50*):

CONVERT EVERY "DEPARTMENT"/"UNIT" **[and yourself]** **INTO A FULL-FLEDGED … "PSF"/PROFESSIONAL SERVICE FIRM … WHOLLY DEDICATED TO EXCELLENCE & WOW & ADDING SKYSCRAPING VALUE TO THEIR CUSTOMERS'** **[usually internal customers]** **ACTIVITIES.**

Why not?
There is no good reason not to proceed within the fortnight!

BFO 31: **CIVILITY WORKS. CIVILITY PAYS.**

E.g.: **K = R = P.**

Kindness = Repeat business = Profit.

(ONE MORE TIME: "Kindness" is N-O-T "Soft.")

BFO 32: Most of us/most organizations discount … INTROVERTS. THAT IS A … FIRST-ORDER STRATEGIC BLUNDER. (Please read Susan Cain's book *QUIET*. It was a no-bull lifechanger for me.)

BFO 33: Listen (HARD) to my old D.C. boss, Fred Malek:

"EXECUTION IS STRATEGY."

(Herb Kelleher/Southwest: *"We have a 'strategic plan.' DOING THINGS."*) (Jack Welch/GE: *"In real life, strategy is actually very straightforward. Pick a general direction … AND IMPLEMENT LIKE HELL."*) (Charles Munger, Berkshire Hathaway *"Costco figured out the big, simple things and executed with total fanaticism."*)

Execution: That all-important … "LAST 99 PERCENT."

Excellence 71. NO EXCUSES.

1. Change. Focus/obsess on allies. And allies and allies. And MORE allies. Don't allow yourself to be distracted or sidetracked by foes.

2. Do good work. You'll spend most of your waking hours at work. Make the best of it—or you will have thrown away your life. (Strong words. Warranted.)

3. Start the day on a high/ Close the week with a bang. Bring a SMILE to work. IMMEDIATELY get out and about (MBWA). Etc. Call it "the little BIG things starter kit." First TEN MINUTES determine the flow of the day. Day's end: More MBWA. Offer thanks for a job well done—"little stuff" more than big stuff. Call three customers. Thank two people in other functions who lent a hand.

4. Time spent on relationships/network building. It's the … ULTIMATE CAPITAL INVESTMENT.

5. Training. Training must go from "second best" to the very top of the heap. The training boss should sit next door to the CEO. Training courses should unfailingly make you gasp at their quality.

6. People development. Priority #1 is no less than a … MORAL OBLIGATION … to let nothing get in the way of helping our people—each and every one—grow and prosper and achieve beyond their wildest dreams. (Hint: You'll make a lot of money along the way.)

7. Joy. Damn it. (Why not?)

8. WOW-ification. Ugly word. Magnificent aspiration. (Necessary, too, in a hyper-competitive world.)

9. First–line LEADERSHIP matters—a lot! The #1 variable determining enterprise productivity is the quality of the full cadre of 1st-line leaders. (Recruit 'em and train 'em accordingly.)

10. Get aboard the "S-train" or else. SM/Social Media. SX/Social eXecutive/SE/Social Employees. SO/Social Organization. (ALL HANDS.) SB/Social Business. Cacophonous engagement of one—AND ALL!—with every aspect of the enterprise, inside and out, is determining the difference between winners and losers.

11. XFX/Cross-Functional EXCELLENCE. Strategic Opportunity #1.

12. The "sharing economy." Sharing pays! Sharing (more) pays (more)!

13. The "hang out factor." Little or nothing is more important than MANAGING your "Hang Out Portfolio"! We are indeed what we eat—and who we spend time with.

14. Calendar supremacy. You ARE how you spend your time. PERIOD.

15. Civility. Civility allows you to sleep at night. Civility is (also) a STUNNING competitive advantage.

16. Politics. IMPLEMENTATION is … politics. (Get over it.) (Master it.)

17. "EXCELLENT" Meetings. Meetings are what bosses "do." Meetings are de facto Leadership Opportunity #1. Act accordingly. (Few do.)

18. Email EXCELLENCE. Why not?

19. The Reaction is more important than the action. The problem is rarely the problem. The RESPONSE to the problem is invariably the problem.

20. Thank you! "Acknowledge" and "Appreciate" are perhaps the two most powerful words in the leader's language.

21. ACKNOWLEDGEMENT Power. (Continued. Why? Said power is AWESOME.)

22. Listen up! Make 2014: The Year of the EAR. Listening = Skill #1.

23. INTROVERT POWER! The Quiet Ones are more than worth their weight in gold!

24. "Have you …" The 50 "Have Yous."

25. 2013–14/New Year's Week. BEGINNINGS and ENDINGS matter. A LOT.

26. The delicacy of the helping process. We suck at giving criticism. (It matters. A LOT.)

27. EXCELLENCE. The 5-minute Rule. (PLUS more.)

28. Organizations exist to SERVE. PERIOD.

29. Shareholder value MYTH. Shareholders need not come first among corporate priorities.

30. Putting People REALLY First. (REALLY.)

31. Limits to "strategy." Winners focus on EXECUTION.

32. "Only one can be the cheapest." DESIGN as D.I.C./Differentiator-In-Chief.

33. Boomer Market: Where the BIG $$$ Are. Most are winging it—Nutty!

34. RADICAL Personal Development. It's the only survival strategy amidst the economic/tech tsunami. Start ASAP.

35. 100% of us … ENTREPRENEURS. We are ready! (It turns out.)

36. Benchmarking. Effective "benchmarking" is NOT about copying—it IS about learning and adapting to circumstances.

37. B-I-G? Over-rated!

38. Judgment. OUR JUDGMENT STINKS. PERIOD. (C.f., tons of research prove it.)

39. Culture comes FIRST. If (hyper-hardnosed) former IBM CEO Lou Gerstner says it, it must be so!

40. "This will be the women's century." Women BUY. Women RULE.

41. The THREE Rules. Taking the high road to success.

42. The "PI6." Or: Personal Impact SIX. Short and (I hope) sweet.

43. BIGGEST Life Decision. Your call … ONE DAY AT A TIME.

44. Read! Read! Read some more! One of the premier investment bankers in the world declares CEOs' #1 problem to be a failure to read enough.

45. The Middle Class Is Toast. (Ye gads.) (And then an antidote!)

46. WOW. NOW. The Project 50. The Brand You 50. The Professional Service Firm 50.

47. Full STEAM Ahead. Call for an Education Revolution. ASAP.

48. Some REALLY WEIRD Stuff … That's REAL NOW. Wow!

49. CAUTION. Big Data … SEVERE limits thereto.

50. 47 questions for newly anointed CEOs. Do you leave 50% of your time unscheduled? (And 46 others.)

51. Ready. Fire. Aim. The ACTION Imperative—now more than ever.

52. RADICAL Nudgery! The Little B-I-G Things.

53. The LAST word. (For now.)

54. The LAST word (Version TWO). People REALLY First—or else.

55. The LAST word (Version THREE). Do the right thing re people … maximize financial performance.

56. The LAST word (Version FOUR). EVERYONE … must be pursuing an ambitious personal development plan.

57. The LAST word (Version FIVE). The CTO/Chief Training Officer ranks equally to the CFO.

58. The LAST word (Version SIX). Leaders Role #1: Create … MORE LEADERS.

59. The LAST word (Version SEVEN). Do (NOW) or Die.

60. The LAST word (Version EIGHT). Implementation: The "last 99%."

61. The LAST word (Version NINE). The only thing we have to fear is the absence of fear.

62. The LAST word (Version TEN). We ALL have what it takes to be entrepreneurial.

63. The LAST word (Version ELEVEN). Becoming a (full-fledged) PSF/PROFESSIONAL SERVICE FIRM.

64. The LAST word (Version TWELVE). Nothing half way! Use your last ounce of energy!

65. The LAST word (Version THIRTEEN). Humble accomplishments doth make a (full) day.

66. The LAST word (Version FOURTEEN). *In Search of Excell*ence/127 characters.

67. The LAST word (Version FIFTEEN). Small courtesies = ENORMOUS IMPACT.

68. The LAST word (Version SIXTEEN). WOMEN ROAR! WOMEN RULE!

69. The LAST word (Version SEVENTEEN). Aim HIGH HIGHER HIGHEST.

70. The LAST word (Version EIGHTEEN). Nobody knows anything. Hmmmmm .....

71. The LAST word (Version NINETEEN). Fasten your … BACK-SEAT SEATBELTS!

Appendix ONE: Getting Things That Matter Done Against the Odds and in the Inky-black Shadow Cast by the Guardians of the Status Quo.

Appendix TWO: Systems Have Their Place: SECOND Place.

2014.0421/624 pages/882,266 words

I. Change/Change Agents
The A-squared Approach: Allies & Action

Not sure what triggered it, but I went on a Twitter rampage this morning (Thursday, 11/21/13) on the topic of change. Herewith, FYI:

Change agentry: Forget the word "enemies." Focus on/obsess on ...

ALLIES.

Big change is not about fighting the bad guys. It's about surrounding them with your continuously recruited allies.

Success at change: Building a stable of allies. Failure: Pissing and moaning and picking fights.

Change agent time distribution: 50% recruiting Allies. 40% tending Allies.

10% other. 0% fighting enemies.

Change: Allies do not automatically remain allies. Tend them and do NOT NOT NOT neglect them—the latter is a common sin.

Change the 4F Way: F ind a F ellow F reak F araway.

(Change agents *need* playmates and *distant* playpens.)

Elliott Masie*, on desirable eLearning vendors: ***"I want a 'sandbox partner,' someone who will openly say, 'This is not the last word; we don't know exactly where we're going.'"***

***Masie is the "uber-guru" of eLearning.**

Change you want: **“It”** **(your thing)** **is**

already happening somewhere. FIND IT!

Change the Bob Stone way*: ***"Some people look for things that went wrong and try to fix them. I look for things that went right, and try to build off them."***

(*Stone ran the surprisingly successful "re-inventing government" program for VP Al Gore in the '90s.)

"Somewhere in your organization, groups of people are already doing things differently and better. ***To create lasting change, find these areas of positive deviance and fan the flames."***

—Richard Pascale & Jerry Sternin, "Your Company's Secret Change Agents," ***Harvard Business Review*** **(The late Mr. Sternin was an incredibly successful change agent in developing countries.) (The authors' key contribution is the idea of "positive deviance"—i.e., ferreting out good stuff already underway.)**

"In foreign aid, Planners announce good intentions but don't motivate anyone to carry them out.

Searchers find things that work and build on them.

Planners apply global blueprints. Searchers adapt to local conditions. A Planner thinks he already knows the answers; he thinks of poverty as a technical engineering problem that his answers will solve. ***A Searcher admits he doesn't know the answers in advance; he hopes to find answers to individual problems only by trial and error experimentation."***

—William Easterly, ***White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good***

Losses as critical as wins: ***Dotcom movement worked big time. Astonishing amount of experimentation in brief period. "Ls" as/more important than "Ws."***

Change is about end runs—not a smash-mouth plunge down the middle.

Allies: Recruit the quiet ones as much or more than the noisy ones.

If you can't find allies, you're probably perceived as too far out. Find the sweet spot: Exciting/edgy w/o scaring the shit outta people.

A rigid stance nearly always generates an equally rigid response.

Change: Making loud noises is usually a loser's strategy.

If you are really passionate, you tend to confront. Confrontation NEVER results in victory; it just entrenches your opponents and increases their determination to stop you. You play into the bad guys' hands: "I knew he was a jackass. Never put him on the agenda again."

Action Rules! 1 Thing (Only) I've Learned in 48 Years!

A Bias for Action. **(No. 1/"Basics of Excellence"/*In Search of Excellence*/1982)**

"Ready. Fire. Aim."

(H. Ross Perot on EDS; as compared to GM's "Ready. Aim. Aim. Aim. Aim. Aim. …")

Just do it! **(Nike)**

Move fast, break things. **(Facebook)**

Experiment fearlessly. **(Trait #1/Great innovator companies/*Bloomberg Businessweek*)**

Relentless trial and error. **(Corporate Survival Trait #1 in crazy times/*Wall Street Journal*)**

"You miss 100% of the shots you never take." **(Wayne Gretzky)**

"Fail. Forward. Fast." **(Tech exec/Philadelphia)**

CAN YOUR BUSINESS FAIL FAST ENOUGH TO SUCCEED? **(*Economist* conf. title)**

"Fail faster, succeed sooner." **(David Kelley/IDEO)**

"No matter. Try again. Fail again. Fail better." **(Samuel Beckett)**

"Reward excellent failures. Punish mediocre successes." **(Phil Daniels/Australian businessman)**

Whoever Makes the Most Mistakes Wins. **(Richard Farson/book title)**

"The Silicon Valley of today is built less atop the spires of earlier triumphs than upon the rubble of earlier debacles." **(Paul Saffo/tech futurist/Palo Alto)**

"The secret of fast progress is *inefficiency*: fast/furious/numerous failures." **(K. Kelly)**

S.A.V./Screw Around Vigorously **(TP: only possible success strategy for crazy times)**

Demo or die.

(MIT Media Lab credo)

"Don't 'plan.' Do stuff." **(David Kelley/IDEO)**

"Effective prototyping may be the most valuable core competence an innovative organization can hope to have."/"Minimize 'mean time to prototype.'" **(M. Schrage/MIT)**

"This is so simple it sounds stupid. You only find oil if you drill wells." **(J. Masters/wildcatter)**

"We have a 'strategic plan.' It's called 'doing things.'" **(Herb Kelleher/Southwest Airlines)**

"Can do!"

(Motto/U.S. Navy Seabees/my starting point in 1966 in Vietnam)

"Execution *is* strategy." **(Fred Malek)**

WD40 **(Water Displacement, 40 tries to get it right)**

BLAME NO ONE. EXPECT NOTHING. DO SOMETHING. **(NFL coach Bill Parcells/locker-room poster)**

"Quality is a probabilistic function of quantity." **(M. Gladwell/"Creation Myth"/re J.S. Bach)**

"Ever notice that *'What the hell'* is always the right decision?" **(Anon. screenwriter)**

W.T.T.M.S.W.

/Whoever Tries The Most Stuff Wins.

WTTMS<u>ASTMSU</u>W/Whoever Tries The Most Stuff <u>And Screws The Most Stuff Up</u> Wins.

WTTMSASTMSU<u>TF</u>W/Whoever Tries The Most Stuff And Screws The Most Stuff Up <u>The Fastest</u> Wins.

WTTMSW:

Whoever
Tries
The
Most
Stuff
Wins.

Change: **Rack up and log (and advertise!) … *“small wins”* … like a … *maniac*.**

(“Trying a lotta stuff”/WTTMSW writ large: Trial and error, many many many trials and many many many errors very very very rapidly will be the rule—think dotcom boom and bust and the incredibly valuable residual in terms of entrepreneurial training and ideas surfaced and approaches rejected. Tolerance for rapid learning—and unlearning—will be a, even THE, most valued skill. FYI: “Gamers” instinctively “get” this—lots of trials, lots of errors as fast as possible—in ways their error-avoiding elders can only imagine; hence, for this reason among many, “the revolution” is/will be to a very significant degree led by youth.)

Change: Recruit allies 2 or 3 levels "down" ... the magicians who reside where the real work is done and the place from which the system can be indirectly manipulated. I.e., "Suck down" for success/Make friends in "low" places.

Change: ALLIES. ALLIES. ALLIES. ALLIES. ALLIES. ALLIES. (Then more ALLIES.)

Change agents: Commit no minor sins. Don't let the bad guys find a narrow opening and bring you down for trivial reasons.

Change agents: Keep a civil tongue at all costs.

Winners: Recruit/nurture allies; try lotsa stuff; stay under the radar. Losers: Go toe to toe with the establishment; seek the spotlight.

Change agents: *Speak not ill of thine enemies.* Even to pals in private. All the walls have keen ears—circa 2014.

Change agents: No: Charts and graphs. Instead: Demos. Demos. Then more demos.

Change: *Success is more about momentum and growing excitement around a portfolio of small wins than it is about big wins.*

Change: Engage your allies in the design process—even if it introduces impurities. They must FEEL true ownership.

100% of change-that-works is NON-linear. (A wonderful saying: Winners are the ones who are "good at Plan B." Or, I'd say, Plan Z.)

Suck "down" for success!

*Make friends in "low" places.**

***It's simple, really. "Down" is where the work is done! An Army of Fans "down below" is the greatest group of allies imaginable. If you are, say, making a sales pitch for a complex systems product, it's true that the "VP" will eventually need to sign off. BUT … the analysis that wins or loses the battle will be done two levels "down" by a trio of young, invisible, unloved engineers. They are the ones you want on your side—find *them* and nurture *them*. (FYI: This is a … GUARANTEED … winning formula.)**

Change: ***Joyfully let/encourage your allies to take***

100% *credit for the small wins they're involved in.*

Serious change includes bad days, bad weeks, bad months, perhaps bad years.

Change agents: Re-read all emails THREE times before sending.

Social Media is a marvel. But do NOT shortchange face-to-face with Allies.

Change agents: ***Successful "small wins" with outsiders provide enormous street cred.**** **(*And, increasingly, "Co-invention" is "EVERYTHING.")**

Change agents: Preaching to the choir is just fine. More than fine: It produces a "multiplier effect": ***If the members of the choir preach to their choirs, it becomes a ... MOVEMENT!***

Greatest waste of time? Trying to "convert" non-believers. Instead, surround 'em. That is, you don't "convert." "They" "discover"—come to appreciate what you're doing because a couple of *their* pals have joined up.

#1 role of allies?

*Recruit more allies!**

***Hence allies' perceived "ownership" is all-important—allies have to "do it their way" to abet that sense of ownership. Give 'em space: No doctrinal rigidity, please!**

Aiming for An Ally's "Ownership"

The following are simplistic, but give a flavor of "the approach" to prospective allies. I repeat: They are not "helpers." They are stakeholders with as much ownership/skin-in-the-game as you.

Herewith:

"Hey, I've been working on this idea; actually we've both talked about the issue before. Want to add your $2.22 (not $0.02) and help me develop it? Who knows, could be fun."

"We ran a little two-bit trial on part of this new program. Results look pretty good. Any chance you'd tweak it and try it with your team?"

"I've gotten these great results from this system tweak. But your group is very different from mine. If you like the data, would you consider doing something akin to it, using your parameters, at your place?"

"I tested this idea and had some pretty good results. Then Nancy James redesigned it big time for her department—and had promising results. Your department is more like hers than mine. If you're interested, I'm sure she'd be delighted to go through it with you."

Etc.

Etc.

All alliances are social—regardless of the role of self-interest. Tend to the social part—or perish.

"Allied commands depend on mutual confidence, and this confidence is gained, above all, through the development of friendships." **—General D.D. Eisenhower, on managing the impossible—the D-Day alliance**

Change I: **ALLIES. ALLIES. ALLIES. ALLIES. ALLIES. ALLIES. (Then *more* ALLIES.)**

Change II: **"Suck DOWN for success."**

Change III: **Demo. NOW.**

ONE More/LAST Time:

Allies, Not Adversaries

"Overcoming resistance to change" **is the quintessential B.S./misguided/stupid/ ignorant approach to getting (important) things done.**

Let me set you straight in precisely … SEVENTEEN words:

Implementing desired change is not about "vanquishing" "enemies."

Implementing desired change is about recruiting and nurturing allies.

That is the difference between … Negative & Positive.

That is the difference between … Enemies & Friends.

That is the difference between … Fear & Fun.

That is the difference between … Night & Day.

That is the difference between … Hell & Heaven.

That is the difference between … Failure & Success.

Q.E.D.

ALLIES/Addendum: C(I) > C(E)

Suppose you are in sales. *Your most important customers are your … INTERNAL CUSTOMERS.*

I call them: C(I). That is, if you want to give the best service possible to your external customers—C(E)—then you need your entire organization—logistics, finance, etc.—going out of their way to aid and abet your efforts regarding C(E). As to the topic of this section:

Making … ALLIES "AT HOME" … is Task #1 for a salesperson bent on being (& *remaining!*) a top performer.

Appendix ONE

To extend this discussion concerning the abiding importance of allies, I have included as Appendix ONE at the end of this book, an essay titled:

Getting Things That Matter Done Against the Odds and in the Inky-black Shadow Cast by the Guardians of the Status Quo

Here is the introduction:

***"The art of war does not require complicated maneuvers; the simplest are the best and common sense is fundamental. From which one might wonder how it is generals make blunders; it is because they try to be clever."*—Napoleon**

This essay is *no*t autobiographical—heaven forbid. On the other hand, it is autobiographical—heaven forbid.

The ideas that led to *In Search of Excellence* were welcomed by my employer, McKinsey & Co., like a cold sore in February; partners, almost to the man (and occasional woman), felt that I was betraying the canon that underpinned McKinsey's success—that is, vaulting the usually glossed over "soft stuff," like an abiding emphasis on people and relationships, over the "hard stuff," like developing brilliant business analyses and paper strategies. Today, some say that the ideas from Bob Waterman's and my book, altered and expanded, to be sure, underpin something like a whopping fifty percent of the firm's business. After leaving McKinsey, "they" say I "invented" the "management guru industry"—for better or for worse. In both instances, overstated or not, I was at war with some pretty big folks, and managed to survive and make a bit of progress concerning the ideas about which I was so passionate and with which, I believed, firms of all sorts could increase their odds of sustainable success.

What follows is what I think I've learned from my many accumulated cuts and scratches—at least the bits that also seem to match up with the stories of successful people and organizations I've been collecting for the last three or so decades.

Key words:

Passion
Enthusiasm
Knowledge
Positive/NEVER Negative
Allies/Allies/Allies
Credit Sharing/Self Effacement
Presentation Excellence
Listening Skills
Network Obsession

Show up

Keep Showin' Up
Political Mastery
Execution Fanaticism
Indirection/Invisibility/"End runs"
Demos/Small Wins/Speed
Impatience
Patience
Civility
Excellence
Wow
Tenacity/Tireless

As usual, every bit of it is as obvious as the end of your nose. And, as usual, my retort to myself is that in "getting things done" it's overlooking the commonsensical in pursuit of the clever that gets us in trouble.

II. Do Good Work

I admit I've tired of Garrison Keillor, but I do like his tag line:
"*Be well. Do good work. Keep in touch*." My comments follow:

Garrison Keillor: ***"Do good work."*** **That is a powerful sentiment: How does today for you stack up on that "metric"?**

Good work: Of service to our *clients*. Of service to our *peers*. Of service to our *community*. Commited to personal growth. Pushing the limits.

By definition "do good work" revolves around the phrase …

"of service."

Good work: Help others grow. Infectious enthusiasm. Always approachable. A ready smile. Keeping promises. Learning. Learning. Learning.

Good work: The quality of the experience of producing the product is as important as the product itself.

Not sure why "do good work" struck me so hard. I guess I realize what a monumental challenge it is to live up to day in and day out.

Good work: ***Most of our conscious life will be at work. Like it or not. Waste your work life and you have effectively wasted your life.***

III. “Must Do” Top-of-the-Morning Rituals

I launched the day with a few quick starter-to-dos for bosses. They were vigorously retweeted, so I decided to post them here. FYI:

MBWA. **(Managing By Wandering Around.)**

NOW.

PLEASE.

Take someone in another function to lunch. TODAY. DAMN IT.

Thank someone for bringing a SMILE

to work today. Do it in the next ... 30 MINUTES.

Boss: Observe yourself closely over the next 60 MINUTES. Did you LISTEN more than you talked?

At the beginning of your next meeting THANK two people for … *SOMETHING*.

THANK YOU for reading these tweets. Have a great day.

Monday/Tomorrow/Courtesy NFL/National Football League: ***"Script" your first 5-10 "plays."*** **(I.e., carefully launch the day/week in a *purposeful* fashion.)**

Every Day: To Your Health!

I've been studying back/neck pain (after a car crash). There are millions w/ major chronic pain. Can be fabulous workers … but don't be surprised if they're not always smiling.

Software/etc. folks with lots of already stooped 26-yr-olds:

(1) Get the ergonomics right.

(2) Insist on hourly breaks.

You see supple/26—but may well be cripple/46.

Hypothesis: Demand hourly break/2 minutes: Lose 3% productivity. Offset by PLUS 15% productivity/ creativity/collaboration the other 58 minutes.

Close-the-Week/Friday Rituals

Have you prepped for your first meeting with your team today with the same care you'd put into a presentation to your boss? THIS is MORE important!

Bosses: ***The first ten minutes set the tone for the day.*** **PERIOD.**

Bosses/Repeat: MBWA for the first 15-30 minutes after arrival at the office.
Bosses: MBWA, last 15-30 minutes of the day/Friday. Thank a minimum of THREE people for something they did this week.

Bosses: Take someone new and different to lunch today.

Bosses: Re MBWA, saying thanks a couple of times, etc., how about a "daily rituals" list carried in your pocket to remind you of this stuff?

Bosses: How about a promise to yourself not to email/text/etc. any of your team this weekend?

Bosses: Like my old White House boss, set aside a half hour this afternoon to CALL 3-5 "outsider" folks who gave your team a hand this week. (WH boss) was the busiest guy I ever met, yet he did his (late-in-the-day) ***"Thank you"*** **ritual EVERY day. And most calls were "down" to someone who'd offered a helping hand.**

Lot of (my WH boss's) calls (this was the old days) were to secretaries/PAs of those above him: ***His secretaries network was his secret weapon.***

Bosses/FACT: projects succeed/fail because of cooperation from OTHER functions. Find 2-3 of those "other function" folks to thank today.

Bosses/REMEMBER: ***Suck DOWN for success! (It's the efforts/energy of the network "below" you that makes you a hero … or a goat!)***

I wrote *In Search of Excellence* about ONE thing: MBWA.

MBWA: ***Being in touch, being human, emphasizing so-called "soft" factors, which are in fact true "hard" factors that drive success/growth/ profitability.***

MBWA 25

"I'm always stopping by our stores …

at least 25 a week.

I'm also in other places: Home Depot, Whole Foods, Crate & Barrel. I try to be a sponge to pick up as much as I can."

—Howard Schultz, Starbucks

MBWA 4-8-12

MBWA 4: The four most important words in any organization are …

"WHAT DO YOU THINK?"

Source: Dave Wheeler, posted at tompeters.com

MBWA 8: Change the World with 8 Words …

What do you think?
How can I help?*

***Boss as CHRO/Chief Hurdle Removal Officer**

MBWA 12: Change the World with 12 Words …

What do you think?
How can I help?
What have you learned?*

***What (new thing) have you learned (in the last 24 hours)?**

IV. It's All About RELATIONSHIPS
It's All About the NETWORK

R.O.I.R. (Return On Investment in Relationships) > R.O.I.

Investment in one's network is the ultimate …

CAPITAL investment!

Investment in one's network should be thoughtful, consistent … the *opposite* of "catch as catch can."

Lisa Radin: "Would you call that: 'Human Capital' ?"

Call it CAPITAL. Period. **Call it "human capital" & accountants [damn them] will call it "soft dollars."**

Lisa Radin: "You are right."

Is anything MORE important than

methodical

investment in one's Network?

Supremely stupid question.

Of course not!

V. My Training/Development …

Obsession

I just scored Birthday #71. I am more determined than ever to shout/scream about CEOs (and other bosses at all levels) finally "Putting People First"—as their mission statements say, but which is contradicted by their actions. As tech change accelerates, this becomes more important with each passing day.

At an event in Milan (11/05), I passed out one item to the several thousand attendees. I labeled it my "#1 Belief." To wit:

Your principal moral obligation as a leader is to develop the skillset, "soft" and "hard," of every one of the people in your charge (temporary as well as semi-permanent) to the maximum extent of your abilities. The good news: This is also the #1 mid- to long-term ... profit maximization strategy!

Related to the statement-of-principle above, I fired off (right term) on Sunday (11/03) a series of tweets on training. Herewith:

Is your CTO/Chief Training Officer your top paid "C-level" job (other than CEO/COO)?

If not, why not?

Are your top trainers paid as much as your top marketers?

If not, why not?

Are your training courses so good they make you giggle?

If not, why not?

Randomly stop an employee in the hall: Can she/he describe her/his development plan for the next 12 months?

If not, why not?

Sunday/NFL game day (as this was written): "Players are our most important asset." "No shit, Sherlock." Football is a competitive BUSINESS.

If "people first" is obvious for them, why not you?

Study/inhale Matthew Kelly's book *The Dream Manager*. It's about a fictional sanitary services company. But it's not fictional. I met the company's CEO.

If them, why not you?

Check out a Marine E-6 (senior sergeant): Ask him/her about training and development objectives, and the intensity of the approach thereto.

If him, why not you?

Want to understand training in a super high-tech business? Talk to the commanding officer (effectively CTO) of a "boomer"/U.S. Navy nuclear sub patrolling the sea with nuclear-armed missiles on board.

If them, why not you?

Is your CTO/Chief Training Officer your top paid "C-level" job (other than CEO/COO)?

Are your top trainers paid/cherished as much as your top marketers/ engineers?

(*I would guess that most CEOs see IT investments as a "strategic necessity," but see training expenses as "a necessary evil."*—TP)

(*"In a connected economy, an employee investment is also a company brand investment."*—Vala Afshar)

Addendum: Training Is Not a "Do To":

The-Prep-Is-The-Thing!

The Sochi Olympics should remind us that extensive training is

not something bosses "do to" people.

Training = Success.

Junior/senior. Age 17 (young Olympian) or 71 (me).

(My take: In many [most?] organizations training is treated as de facto penalty administered "to" rather than a … magnificent growth opportunity.)

You do not achieve mastery during the game or the speech or the concert. Mastery is achieved (only) in the (invisible) preparation stage.

(It often seems to me that the attitude toward training is, "another damn cost item," or "How bloody much do we have to do?" On the receiving end, given the half-assed attention to the product (the training itself), the attitude is, "How much of this shit do we have to go through?" Instead I imagine—and I think everyone should imagine—training as … THE COOLEST THING EVER. The matchless opportunity to help people grow—and to help our organization achieve Excellence, which in turn can be translated into Ecstatic Customers—and, then, Ecstatic Shareholders. This whole topic, as ordinarily approached … PISSES ME OFF SOOOOOO MUCH I QUAKE & SHAKE.)

If there is no joy and

exhilaration

in preparing, success odds … Z-E-R-O.

Training should be the highlight. Event an afterthought. (Event is basically decided before you step in the field/stage.)

Hall of fame football coach Bill Walsh on prep: ***"The score takes care of itself."***

Basketball coach John Wooden, perhaps the best coach of anything, ever:

"I was never much of a game coach, but I was a pretty good practice coach."

Training tippy top mgt job: military, cops, firemen, arts. Corps: mid-level middle mgr.

For me, the pleasure is in increasing, at 1A.M. before a 9 A.M. speech, the font size of a single word I've decided to emphasize on PowerPoint slide #39.

My speech is effectively over before I step on stage.

Trevor Gay: Would rather hear *"You clearly prepared for that"* than *"That was great!"*

Any idiot can be "psyched" & "up" when he steps on the field on game day. Key is being "psyched" & "up" & 1st on the practice field.

Twitter comment by org development group: ***"We can help by integrating learning into work and ditching the term 'training.'"***

NO! NO! NO!

NO cover-ups!

Training: **WONDERFUL** **thing!**

Training: **WONDERFUL** **word!**

Make it so **GREAT** **people** **BEG** **for it!**

I **LOVE** **to train.**

I **LOVE** **to improve. (Age 71.)**

6-2-3

***It takes Jerry Seinfeld SIX MONTHS**
to develop TWO–THREE MINUTES
of new material.
(Source: Documentary, *Comedian*)

Gamblin' Man

Bet #1: **>> 5 of 10 CEOs see training as expense rather than investment.**

Bet #2: **>> 5 of 10 CEOs see training as defense rather than offense.**

Bet #3: **>> 5 of 10 CEOs see training as "necessary evil" rather than "strategic opportunity."**

Bet #4: **>> 8 of 10 CEOs, in 45-min "tour d'horizon" of their biz, would <u>NOT</u> mention training.***

***If you had *any* idea at all how much this pisses me off …**

Rick Taylor: ***"It's been 12 years since I've been offered training in anything. Corporations see it as an expense not investment."***

Shit hits the fan, Great Recession:

Container Store

boosts

front-line sales training.

RARE!!

VI. Leadership2014: Job #1

"Employee development" is decidedly NOT an HR term; it is a reason for being, along with service to one's customers:

Your principal moral obligation as a leader is to develop the skillset, "soft" and "hard," of every one of the people in your charge (temporary as well as semi-permanent) to the maximum extent of your abilities. The good news: This is also the #1 mid- to long-term ... profit maximization strategy!

Developing People: The Memories That Matter

> ***"I shall tell you a great secret, my friend. Do not wait for the last judgment; it takes place every day."*—Albert Camus**

In a month, as I write, I'll be 68. No matter how hard one tries to be forward focused, at that age there is a frequent urge to "sum things up." As one does look back, there is a certain class of memories that stand out. I know my own story—and I've talked to many others. When you look back at "what really matters"—it's rarely "the numbers." Make no mistake, as you soldier on your tiny or huge enterprise must be profitable to survive. Wanna do great things? Well, check the "cash flow" statement first. True, but still "the summing up statement" is far more about the basics of human behavior and character than about the angle of incline of a market share graph. What follows is, then, in a fashion, "the memories that matter"—or will matter. Why point this out? Because to get the tally right on this one at age 68, the sorts of things enumerated here must have been "top of mind" throughout your career—i.e., today, tomorrow, this week, this month, this year.

The "memories that matter"/that *will* matter:

The people you developed who went on to stellar accomplishments inside or outside the company. (A reputation as "a peerless people developer.")

The (no more than) two or three people you developed who went on to *create* stellar institutions of their own.

The longshots (people with "a certain something") you bet on who surprised themselves—and your peers.

****

Selection of General Officers in the Indian (or Any Other) Army

It occurred during a seminar in Mumbai. I was having an exchange with a senior general officer in the Indian Army. In particular, we were talking about promotions to senior rank. I said that I thought the principal criterion was not "excellence at concocting strategy" or the like. Instead, I suggested that the "one question"/the first and most important query of candidates for a senior promotion:

"In the last year [or 3 years, duration of current job], name the … three people … whose growth you've most contributed to. Please explain where they were at the beginning of the year, where they are today, and where they are heading in the next 12 months. Please explain … in painstaking detail … your development strategy in each case. Please tell me your biggest development disappointment—looking back, could you or would you have done anything differently? Please tell me about your greatest development triumph—and disaster—in the last five years. What are the 'three big things' you've learned about helping people grow along the way?"

"Bottom line"/Accomplishment #1 = ***The people we develop who execute and carry the torch for the things we care about—and then take the organization up, up and far beyond what we or they had imagined possible.***

****

The sort of/character of people you hired in general. (*And* the bad apples you chucked out despite some stellar traits.)

The people of all stripes who 5/10/20 years later say, "You made a difference in my life," "Your belief in me changed everything."

A handful of projects (a half dozen at most) you doggedly pursued that still make you smile and which fundamentally changed the way things are done inside or outside the company/industry.

The supercharged camaraderie of a handful of Great Teams aiming to "change the world."

Belly laughs at some of the stupid-insane things you and your mates tried.

Less than a closet full of "I should have …"

A frighteningly consistent record of having invariably said, *"Go for it!"*

Not intervening in the face of considerable loss—*recognizing that to develop top talent means tolerating failures and allowing the person who screwed up to work her or his own way through and out of a self-created mess.*

A stoic unwillingness to badmouth others—even in private.

Dealing with one or more crises with particular/memorable aplomb.

Demanding … CIVILITY … regardless of circumstances.

Turning around one or two or so truly dreadful situations—and watching almost everyone involved rise to the occasion (often to their own surprise) and acquire a renewed sense of purpose in the process.

Leaving something behind of demonstrable-lasting worth. (On short as well as long assignments.)

****

"Unremarkable" Except For …

I was talking with a friend about another friend. We marveled at his results—frankly, he wasn't a very impressive fellow in the traditional "boss-like" sense. But then my friend said, *"You know, I've seen him working with people. He has what you've got to call a 'magic touch.' His quiet dialogues seem to leave the other person energized and confident."*

Impressive in conventional terms?
Perhaps not.
Impressive/awesome at "people development"?
Absolutely!
And that, in the end is the "name of the Great Results Game."

"Bottom line": **"Unremarkable" *except for* RESULTS. A superb people developer—her/his folks invariably amazed at what they've been able to accomplish.**

****

Having almost always (99% of the time) put "Quality" and "Excellence" ahead of "Quantity." (At times an unpopular approach.)

A few "critical" instances where you stopped short and could have "done more"—but to have done so would have compromised your and your team's character and integrity.

A sense of time well and honorably spent.

The expression of "simple" human kindness and consideration—no matter how harried you may be/may have been.

Understood that your demeanor/expression of character always sets the tone—especially in difficult situations.

Have never (rarely) let your external expression of enthusiasm/determination flag—the rougher the times, the more your expressed energy and bedrock optimism and sense of humor shows.

The respect of your peers.

A stoic unwillingness to badmouth others—even in private.

An invariant creed: When something goes amiss, "The buck stops with me;" when something goes right, "It was their doing, not mine."

A Mandela-like "naïve" belief that others *will* rise to the occasion if given the opportunity.

An abiding appreciation that "tough times make the woman/man." Expressions of character—and the moment seized—when the yogurt hits the fan and others slink into their closets or exhibit a nasty streak is the Ultimate Performance Measure.

A reputation for eschewing the "trappings of power." (Strong self-management of tendencies toward arrogance or dismissiveness.)

Intense, even "driven" … but not to the point of being careless of others in the process of forging ahead.

****

"Life is not a journey to the grave with the intention of arriving safely in one pretty and well preserved piece, but to skid across the line broadside, thoroughly used up, worn out, leaking oil, shouting 'GERONIMO!'" **—Bill McKenna, professional motorcycle racer**

****

Willing time and again to be surprised by ways of doing things that are inconsistent with your "certain hypotheses."

Humility in the face of others, at every level, who know more than you about "the way things *really* are."

Having bitten your tongue on a thousand occasions—and *listened*, really really *listened*. (And been constantly delighted when, as a result, you *invariably* learned something new and *invariably* increased your connection with the speaker.)

Unalloyed pleasure in being informed of the fallacy of your beliefs by someone 15 years your junior and several rungs below you on the hierarchical ladder.

Selflessness. (A sterling reputation as "a guy always willing to help out with alacrity despite personal cost and with no desire whatsoever to get "points" for your effort.")

As thoughtful and respectful, or more so, toward thine "enemies" as toward friends and supporters.

Always and relentlessly put at the top of your list/any list being first and foremost …

"of service" **… to your internal and external constituents. (Employees/Peers/Customers/Vendors/Community.)**

Treated the term "servant leadership" as wholly writ. (And "preached" "servant leadership" to others—new "non-managerial" hire, age 18, or old pro, age 48.)

Created the sort of workplaces you'd like your kids to inhabit. (Explicitly conscious of this "Would I want my kids to work here?" litmus test.)

A "certifiable" "nut" about quality and safety and integrity. (More or less regardless of any costs.)

A notable few circumstances where you resigned rather than compromise your bedrock beliefs.

Perfectionism just short of the paralyzing variety.

A self- and relentlessly enforced group-standard of "EXCELLENCE-in-all-we-do"/"EXCELLENCE in our behavior toward one another."

Bon chance!
Remember: today, tomorrow, this week, this month …

****

"In a way, the world is a great liar.

"It shows you it worships and admires money, but at the end of the day it doesn't. It says it adores fame and celebrity, but it doesn't, not really. The world admires, and wants to hold on to, and not lose, goodness. It admires virtue. At the end it gives its greatest tributes to generosity, honesty, courage, mercy, talents well used, talents that, brought into the world, make it better. That's what it really admires. That's what we talk about in eulogies, because that's what's important. We don't say, 'The thing about Joe was he was rich!'

"We say, if we can …

'The thing about Joe was he took good care of people.'"

—Peggy Noonan, "A Life's Lesson," on the astounding response to the passing of Tim Russert, the *Wall Street Journal,* June 21–22, 2008

****

VIA. Time to Revamp Leadership Training?! Start With a Quick Self-Assessment Test

Leaders should develop a vision for their enterprise, or the part thereof for which they are responsible.

Fine.

Leaders should get people excited about their work.

Fine.

Leaders should be masterful problem solvers.

Fine.

Leaders should have the highest integrity.

Fine.

Yes, all fine.

But, I contend, that's not close to being enough. In fact, I'd go so far as to say that those items, collectively, miss the boat. In fact, they're not even at the right dock.

What do leaders … DO?

First and foremost they assemble and then develop a topflight team of people.

Here's the way I like to put it, which I label "Seven Steps to Sustaining Success":

You take care of the people.
The people take care of the service.
The service takes care of the customer.
The customer takes care of the profit.
The profit takes care of the re-investment.
The re-investment takes care of the re-invention.
The re-invention takes care of the future.
(And at every step the only measure is EXCELLENCE.)

The obvious point: Developing people comes first. It is the "That without which there is nothing …"

The leader's job?

Leaders "do" people.*

(*I have a slide that says: Leaders do people. PERIOD.)

I'd been doing some serious thinking (re-thinking) about leadership when I came across *Practice Perfect: 42 Rules for Getting Better at Getting Better,* by Doug Lemov, Erica Woolway, and Katie Yezzi. It changed my life. I'm not actually sure about that, but I'm sure that it made me change my perspective. (I'd strongly urge you to read the book.)

In short, in excruciating detail, the authors make the case for directing almost all training toward the bits—not the whole. Integration must take place—but integrative training is actually wasted or even counterproductive if the pieces have not been mastered. I was already starting to head down this path, but *Practice Perfect* iced the argument.

So the story here will be simple in outline—challenging as all get out in implementation. I'm arguing—not exactly original—that leading, like football or music or theater, can be largely broken down into activities. And until those activities are trained in and practiced and more or less mastered, it's premature to deal with the high falutin' stuff like vision and values and energy and enthusiasm. (Vitally important as these characteristics are!)

As you wade into what follows (if you choose to do so), I want to make one point clear. *Every* item below can be subject to study *and* training *and* practice *and* evaluation—e.g., re item #1, I don't want you to "get better" at listening. I want you to:

Study listening—book or video learning or some such.
Subject yourself to intense training in listening.
Practice listening ceaselessly—with effective feedback.
Then practice some more. Then take refresher training with some degree of regularity. (Slippage for bosses, assuming they get there in the first place, is the norm, not the exception.)

The goal: Become a full-fledged "professional listener."
Hey, God alone knows how many hours you spent learning accounting and finance, marketing, etc. I want you to direct the same abundant energy on becoming, yes, a notable professional listener.

To get at this topic in short form, I'd ask you to take a quiz and to score yourself on a scale of 10, where 1 is awful and 10 is masterful. What follows are the essence-of-leadership activities (or a rough stab at them) I'd like you to self-evaluate:

____ I am what some call an "aggressive listener," giving, without fail, intense, undivided attention to the speaker and very rarely interrupting; I am a visibly aggressive listener, attempting to be an implacable role model for aggressive listening.

____ Listening is Item #1 in our set of Core Cultural Values.

____ I believe in "aggressive listening" so much that it is part of everyone's evaluation and everyone must take annual refresher training in aggressive listening per se.

____ I am a full-fledged student of listening, aiming for the same level of "professional excellence" that I'd aim for in a specialty like marketing or finance.

____ I am exceedingly meticulous about the exact construction of the questions I ask, always mannerly, always probing, always giving the person questioned space/time to formulate a thoughtful answer; my follow-up is not "soft" but is "supportive" to a fault. The questioning process is near the heart of effective leadership practice and I approach it with the gravity it deserves.

____ I understand the complexity of and the power of excellent questioning skill. I am a formal student of the art and science of asking questions.

____ I view meetings, which absorb an extraordinary amount of my time (and which always will), to be, by definition, my premier leadership opportunity; I do intense preparation for the most brief of meetings, and make it clear, beginning with body language, that I view the/any meeting as an opportunity, not an annoyance or distraction. I understand if I give off "another-damn-meeting" vibes, I will infect every participant in a flash.

____ In meetings and every other interaction, I make it clear that we are all part of a civil society; vigorous debate is essential, but good manners, regardless of the passion for a particular position, matter a great deal.

____ "Helping" sounds innocent/obvious, but it's anything but; giving help must be meticulously tailored to each individual and her/his momentary circumstance. I have studied in depth the complex process of helping per se and I am able to help in a way that is useful and psychologically sound.

____ **Conversations—obviously—are the meat & potatoes, the hors d'oeuvres, main course & dessert of life. I have studied the science of conversations per se, learning and practicing the tools associated with making every communication/conversation count.**

____ ***I believe in the Iron Law of Communication: Regardless of circumstances, if there is a miscommunication … it's my fault.***

____ **I believe in effective & extensive training with passion to the point of fanaticism. The quality of each of our training courses is routinely "breathtaking." (And is evaluated remorselessly.) Our Chief Training Officer receives compensation and acknowledgement on a par with, say, the CFO; line trainers are chosen with the same care and rigor one would apply to hiring a research scientist.**

____ **Appreciation and acknowledgement may be the most powerful forces in the universe, and I go out of my way hour by hour to connect with everyone I so much as pass in a corridor, and make them feel, by, at the very least, eye contact, that I "get" their importance to our enterprise. I have …**

studied **… appreciation/acknowledgement per se and understand analytically its stunning power.**

_____ **"Thank you"; I thank people for their contributions—small even more than large. Though "thank you" fits under acknowledgement, the TY words per se are "power words," and I keep at least casual track of my daily "Thank you" score.**

____ **"I'm sorry": Effective apology, as research as well as common sense demonstrates, transforms ("transform," strong but appropriate word) customer relationships and relationships among peers; I go out of my way to take rapid and visible responsibility for and the initiative in addressing the slightest of real or perceived screw-ups. Moreover, I have instilled recognition of the astounding power of this "tactic" throughout our group/workforce.**

____ **I am always on the prowl for people who, unbidden, are routinely helpful to others, who will drop their own precious task in a flash to give a helping hand to someone who needs a hand at a critical moment. I make it clear that mutual helpfulness is a core "cultural" trait, which will be routinely acknowledged and formally taken into account in all evaluations.**

I believe in effective & extensive training with passion to the point of fanaticism. The quality of each of our training courses is routinely "breathtaking." (And is evaluated remorselessly.) Our Chief Training Officer receives compensation and acknowledgement on a par with, say, the CFO; line trainers are chosen with the same care and rigor one would apply to hiring a research scientist.

____ **Presentation excellence. Those of us who do not do manual work "listen" and "talk" for a living; together, talking and listening constitute our profession as leaders. Intense "professional" training in both is imperative—there is nothing in the least automatic about these skills. I visibly support and require presentation training and development; and practice ceaselessly to improve my own presentation skills.**

____ **Body language is said to account for as much as 90% of our communication effectiveness. I am a student of body language, a relentless self-observer, and assiduous in turning body language per se into a primary trait of effective leadership.**

____ ***Many say that hiring is the most important task in the organization. Assuming that's more or less true, I can call myself and 100% of my leader peers true "hiring professionals," avid students and practitioners of hiring excellence.***

____ **There is perhaps no more complex task than developing and executing an evaluation process that is a major/"Top 5" strength for our entire leadership population. (GE, incredibly, calls the evaluation process associated with its manager population the corporation's #1 strength.) I have schooled myself in the intricacies of the evaluation process, instituted formal training in evaluation, and designed the evaluation process with the same care I would assign to, say, design of the budgetary process. All leaders are strictly evaluated on the quality of their evaluation practice.**

____ **I acknowledge that time is my only resource—and manage accordingly. I evaluate in exacting detail my time allocation to insure that it visibly matches my espoused priorities. I evaluate daily, weekly, monthly with dispassionate rigor.**

____ **In managing my time, I keep a substantial amount of my calendar open (25%+) in order to deal with the vagaries of the leadership job. I guard with zeal against the sin of chronic over-scheduling.**

____ **I am expert at and an avid practitioner of MBWA/Managing By Wandering Around—the key to staying in touch and modeling core values and informally engaging employees. "Obsessive" MBWA effectively surpasses other priorities. I am thoughtful, not haphazard, in my approach to MBWA.**

____ Am I an avid student of the process of influencing others per se—or do I trust my instincts since I've "been around"? There is a massive amount of research on this topic, and influencing per se should be considered a discreet skill to be studied and practiced and mastered.

____ I have painstakingly made myself expert in understanding the complexity of the decision-making process. I am vividly aware of the (enormous!) biases that seep into the decision-making process, and work formally to address or reduce those biases—and instill this understanding and "studenthood" into 100% of the management corps.

____ I am a brilliantly schooled and practiced student of negotiation. All jobs include at least informal daily negotiation, and negotiating skills are an implicit part of daily affairs. Training, of various degrees of intensity, is required of every manager.

____ Do I talk ceaselessly about the importance of execution, but assume that since it is an obvious priority it does not have to be a subject of directed study? This is especially the case for young/first-time managers. Hence, the conscious management of the execution process per se is a topic of study and practice.

____ Do 100% of our employees have specific development plans/programs carefully designed and precisely tailored for them and on which they—and especially their managers!—are rigorously evaluated? Can any employee one stops in the hall talk cogently about her/his personal professional development plan and her/his progress thereon (and the degree to which she/he has been aided by her/his manager)? Is individual and collective and directly managed employee growth a part of our core value set?

____ I am excruciatingly aware of the "d"iversity of my/our team. (I call it "lower case 'd'iversity"—not the gender/race variety, but diversity on every-damn-dimension-imaginable.) I actively ensure, for example, that every team features an exciting mix of backgrounds that enhances the likelihood of their following interesting/creative paths to developing and executing projects of every shape and size.

____ I am fully aware through study and analysis of the power/staggering value of gender-balance from top to bottom in our organization and relative to everything we do. I have a priority strategic program for addressing this issue/preeminent opportunity.

____ Every leader/manager is exceedingly well trained in teambuilding per se. Every manager is assessed on her/his teambuilding skills and results. Attention to teambuilding per se is on the daily agenda of every one of our leaders.

___ I fully understand that perhaps the most important asset—and determinant of our success on so many dimensions—is the full cadre of first-line leaders. We, for example, have the most extensive and effective first-line manager/leader selection and training and development programs in our industry, so good that they make one "gasp"!

____ Everyone in the organization (100%!) is trained in "business"—that is, the way a business works, including the financial aspects thereof, so that he or she can have at least a rudimentary grasp of our overall place in the world.

So: How did you do on this assessment exam?

Perhaps not all that well. While nirvana is not likely, at the very least, heightened awareness may—I dearly hope—lead you to examine your own affairs and the development of leaders throughout your organization.

I will stand by my assertion that these are the things leaders actually do—minute by minute, day after day.

I will also stand ramrod straight by my assertion that each and every one of these attributes can be rigorously studied and practiced and mastered—that not a one is "instinctive."

The elements again, in summary form …

"Aggressive 'professional' listener."
Expert at questioning. (Questioning *"professional."*)
Meetings as leadership opportunity #1.
Creating a "civil society."
Expert at "helping." (Helping *"professional."*)
Expert at holding productive conversations.
Fanatic about clear communications.
Fanatic about training.
Master of appreciation/acknowledgement.
Effective at apology.
Creating a culture of automatic helpfulness by all to all.
Presentation excellence.
Conscious master of body language.
Master of hiring. (Hiring *"professional."*)
Master of evaluating people.
Time manager par excellence.
Avid practitioner of MBWA/Managing By Wandering Around.
Avid student of the process of influencing others per se.
Student of decision-making and devastating impact of irrational aspects thereof.
Brilliantly schooled student of negotiation.
Creating a no-nonsense execution culture.
Meticulous about employee development/100% of staff.
Student of the power of "d"iversity (all flavors of difference).
Aggressive in pursuing gender balance.
Making team-building excellence everyone's daily priority.
Understanding value of matchless 1st-line management.
Instilling "business sense" in one and all.

Have at it!

VII. Joy! (Why Not?)

FUN. JOY. WORK. ***If you think the three are incompatible and you are a leader, I'd beg you to take a hike. (Seriously.)***

Is your team having FUN today? **If not, it's 100% your (leader's) fault. Soooooo?**

With the likes of the fun-joy-work quote, I'm NOT trying to inspire you!! I'm simply asking you to think about it and perhaps talk about it.

Anon. (name withheld by me): "Our IT reorg the last 3 years hasn't been fun … and many key people have left/leaving. ***The leader has stopped asking that question."***

Fun is wholly unrelated to "funny." To, I hope, state the obvious. And "fun" is hardly antithetical to "serious"—in fact, they are handmaidens.* (Doesn't get much better than "serious fun.") And it doesn't mean that some bad days don't simply suck. ***Instead, "deep fun" is about enjoying our teammates' company—sharing in their successes and screw-ups; dropping what we're doing, even when we're on deadline, to help a teammate in a bind; seeking to change the game with our current project, even if it's a wee project; etc.; etc.***

(*"You can't be a serious innovator unless and until you are ready, willing, and able to seriously play. 'Serious play' is not an oxymoron; it is the essence of innovation."—Michael Schrage, *Serious Play: How the World's Best Companies Stimulate to Innovate*)

FUN.

JOY.

WORK.

(Plausible.)
(Compatible.)
(Effective.)

(TODAY.)

VIII. The WOW-ification Imperative*

(*Okay. It's an ugly word. But this is *my* screed—and it works for me. You suit yourself. Many in the Twitter Gang approved—a few groaned.)

Innovation Index: ***How many of your "Top Five Projects" score 8 or higher (out of 10) on a "Weird"/"Profound"/ "WOW"/"Game-changer" Scale?***

WOW-ification Index: ***Move every project (definition) that scores 6 or less 2 notches up on the "WOW-ification Scale" within the next two weeks. If your principal current project scores six or less, bring it up one (or two!) notches by noon on Monday.***** **(**This tweet was written on a Sunday.)**

MORE.
WOW.
NOW.*

***Sorry, couldn't resist.**

WOW-ish Words …
Shamelessly Uttered By "Real People"*

Zappos' 10 Corporate Values

Deliver "WOW!" through service.

Embrace and drive change.
Create fun and a little weirdness.
Be adventurous, creative, and open-minded.
Pursue growth and learning.
Build open and honest relationships with communication.
Build a positive team and family spirit.
Do more with less.
Be passionate and determined.
Be humble.

Wanted by Ogilvy & Mather International:

Trumpeter Swans

—David Ogilvy

***Is this a "Tom thing?" as some of my friends gently put it when the word "WOW" appears again in my writing. Is it an "American thing?" Sure. BUT—in this section, if you pay close attention, you'll observe that the overwhelming majority of the authors were NOT American.**

“Insanely great” **—Steve Jobs**

“Radically thrilling” **—BMW**

“Astonish me!” **—Sergei Diaghlev**

“Build something great!”

—Hiroshi Yamauchi/CEO Nintendo, to a game designer

“Make it immortal!”

—David Ogilvy, to an ad copywriter

“You know a design is good when you want to lick it.” **—Steve Jobs**

"Every project we undertake starts with the same question: 'How can we do what has never been done before?'"

—Stuart Hornery, Lend Lease

"Let us create such a building that future generations will take us for lunatics." **—the church hierarchs at Seville**

You can't behave in a calm, rational manner. You've got to be out there on the lunatic fringe." **—Jack Welch**

"We are crazy. We should do something when people say it is 'crazy.' If people say something is 'good,' it means someone else is already doing it."

—Hajime Mitarai, former CEO, Canon

***"We all agree your theory is crazy. The question, which divides us, is whether it is crazy enough."*—Niels Bohr, to Wolfgang Pauli**

***"There's no use trying,' said Alice. 'One cannot believe impossible things.' 'I daresay you haven't had much practice,' said the Queen. 'When I was your age, I always did it for half an hour a day. Why, sometimes I've believed as many as six impossible things before breakfast.'"*—Lewis Carroll**

Kevin Roberts' Credo

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!

"You can't behave in a calm, rational manner. You've got to be out there on the lunatic fringe."
—Jack Welch

"I WANT TO BE THOROUGHLY USED UP WHEN I DIE. ***… Life is no 'brief candle' to me. It is a sort of splendid torch which I have got hold of for the moment, and I want to make it burn as brightly as possible before handing it on to future generations."***
—George Bernard Shaw

"If you ask me what I have come to do in this world, I who am an artist, I will reply: ***'I am here to live my life out loud.'"***

—Émile Zola

"If I had any epitaph that I would rather have more than any other, it would be to say that I had …

disturbed the sleep of my generation." **—Adlai Stevenson**

"

Life is not a journey to the grave with the intention of arriving safely in one pretty and well preserved piece, but to skid across the line broadside, thoroughly used up, worn out, leaking oil, shouting

'GERONIMO!'"

—Bill McKenna, professional motorcycle racer

Source: This (!) is the logo of the Tom Peters Company. It took us … TWO YEARS … to design it. (I love it!) (Kudos to my colleague … Ken Silvia.)

IX. Best or Bust: 1st-Line Leadership
The Heart of EXCELLENCE

Is there a "secret" to productivity and employee satisfaction? Yes! The quality of your cadre of 1st-line managers.

How do I know 1st-line managers singly/collectively are major assets?
Simple: Ask a general or an admiral about the importance of their cadres of sergeants or chief petty officers.

"In great armies, the job of generals is to back up their sergeants."*—COL Tom Wilhelm, from Robert Kaplan, "The Man Who Would Be Khan," the *Atlantic

Are you clear that a 1st-line boss is a full-fledged

LEADER? (NEVER use any other term.)

Many take 1st-line bosses "seriously." I urge you to take the cadre thereof INSANELY seriously.

"People leave managers not companies."*—Dave Wheeler

(*Among others, Wheeler's assertion re … 1ST-LINE LEADERSHIP … is supported by Buckingham & Coffman's masterwork, *First, Break All the Rules: What the World's Greatest Managers Do Differently*.)

“In great armies, the job of generals is to back up their sergeants.”

—COL Tom Wilhelm (the *Atlantic* via Robert Kaplan)

10 Questions Concerning Your First-line Supervisors

1. Are you, Big Boss, a ... *formal student* … of first-line supervisor behavioral excellence?* *(*Yes, this sort of thing can be formally studied.)*
2. Do you absolutely understand and act upon the fact that the first-line boss is the … KEY LEADERSHIP ROLE … in the organization? Technical mastery is important—but secondary.
3. Does HR single out first-line supervisors individually and collectively for tracking purposes and special/"over the top" developmental attention?
4. Do you spend gobs and gobs (and then more and more gobs and gobs) of time ... *selecting* … the first-line supervisors? Are your selection criteria consistent with the enormity of the impact that first-line bosses will subsequently have?
5. Do you have the ... *ABSOLUTE BEST TRAINING & CONTINUING DEVELOPMENT PROGRAMS IN THE INDUSTRY* (or some subset thereof) … for first-line supervisors?
6. Do you formally and rigorously ... *MENTOR* ... first-line supervisors?
7. Are you willing, pain notwithstanding, to ... leave a first-line supervisor slot open ... until you can fill the slot with somebody spectacular? (And are you willing to use some word like ... *"spectacular"* ... in judging applicants for the job?)
8. *Is it possible that … PROMOTION DECISIONS … for first-line supervisors are as, or even more, important than promotion decisions for the likes of VP slots?* (Hint: Yes.)
9. Do you consider and evaluate the quality of your … *full set/CADRE* … of first-line supervisors?
10. Are your first-line supervisors accorded the respect that the power of their position merits?

Is there <u>ONE</u> "secret" to productivity and employee satisfaction?

<u>YES</u>!

The Quality of your Full Cadre of … 1st-line Leaders.

Suggested addition to your Statement of Core Values:

"We are obsessed with developing a cadre of first-line managers that is second to none—we understand that this cadre per se is arguably one of our top two or three most important …

'STRATEGIC ASSETS.'"

Selecting That (SUPERSTAR) 1st-line Leader

Promotion Decisions: ***"life and death decisions."***

"A man should never be promoted to a managerial position if his vision focuses on people's weaknesses rather than on their strengths."

Source: Peter Drucker, ***The Practice of Management***

X. The "S-Train" Imperative

The "S train": **SM/Social Media.** **SX/Social eXecutives.** **SE/Social Employees.** **SO/Social Organization.** **SB/Social Business.** **Any way you look at it, it's a full-fledged … REVOLUTION!**

It is axiomatic: *SM/Social Media is wasted* (almost a "total waste"?) *without SE/Social Employees & SX/Social eXecutives & SO/Social Organization.*

Can you have "social hot spots" in an organization & still play the Social Business Game effectively? I mostly don't think so. It's pretty close to "all or nothing."

Can you have a "social business" if the CEO doesn't play (i.e., is not a "Social eXecutive")? I border on saying/believing "No way!"

The CEO should focus continuous/concentrated energy on creating/maintaining/ adjusting the culture: **SM/SX/SE/ SO/SB … *is a "culture play," pure and simple.***

Whole point of an effective Social Business: Everyone plays.

Marketing is the least of it. **(Yes, I said "LEAST of it.")**

EVERY function plays a crucial role. The interaction PER SE puts the value added into the value added proposition.

Power of the "social" is aborted if several bits/functions de facto or de jure opt out.

HR by definition is (should be!) at the center of the vortex if you truly want everyone to play … The Great Social Game.

Can there be vigorous tension/disagreement within a committed Social Org? Not only "Yes" but "Damn well better be." That's the true nature of the Value Add.

Biz 2014: Get Aboard the "S-Train"!

SM/Social Media.

SX/Social eXecutives.

SE/Social Employees.

SO/Social Organization.

SB/Social Business.

Seven Characteristics of the [FULLY ENFRANCHISED] Social Employee

1. **Engaged**
2. **Expects Integration of the Personal and Professional**
3. **Buys into the Brand's Story**
4. **Born Collaborator**
5. **Listens**
6. **Customer-Centric**
7. **Empowered Change Agent** **[TP: A bazillion miles beyond lip service!]**

Source: Cheryl Burgess & Mark Burgess, *The Social Employee*

SocialBiz 2017: No Option!

"Branding" is about Everything AND Everyone = Social Media/ Social Executives/ Social Employees/ Social Organization/ Social Business = Table stakes by 2017.

A Few of My Favorite "Social" Quotes

Winning in Marketplace2014/A "Helping" Ethos!

"Today, despite the fact that we're just a little swimming pool company in Virginia, we have the most trafficked swimming pool website in the world. Five years ago, if you'd asked me and my business partners what we do, the answer would have been simple, 'We build in-ground fiberglass swimming pools' Now we say, 'We are the best teachers in the world on the subject of fiberglass swimming pools, and we happen to build them as well.'"—**Marcus Sheridan, River Pools and Spas (from Jay Baer, *Youtility: Why Smart Marketing Is About Help, Not Hype*)**

"What if instead of trying to be 'amazing' you just focused on being useful? What if you decided to inform rather than promote? You know that expression, 'If you give a man a fish, you feed him for a day. If you teach a man to fish, you feed him for a lifetime'? Well, the same is true for marketing: If you sell something, you make a customer today; if you help someone, you make a customer for life. I call this 'Youtility.' Youtility is marketing upside down. Instead of marketing that's needed by companies, Youtility is marketing that's wanted by customers. Youtility is massively useful information, provided for free, that creates longterm trust and kinship between your company and your customers. … The way customers gather information about companies and make purchase decisions has changed. …"

—Jay Baer, *Youtility: Why Smart Marketing Is About Help, Not Hype*

"We are the best teachers <u>in the world</u> on the subject of fiberglass swimming pools, and we happen to build them as well." **—Marcus Sheridan, River Pools and Spas (Apologies for stating the obvious: The point here is underscoring the possibility of a "pipsqueak" company becoming … CENTER-OF-THE-UNIVERSE … relative to its area of expertise.)**

Marbles, a Ball, and Social Employees at IBM*

"Picture a ball and a bag of marbles side by side. The two items might have the same volume—that is, if you dropped them into a bucket, they would displace the same amount of water. ***The difference, however, lies in the surface area, because a bag of marbles is comprised of several individual pieces, the combined surface area of all the marbles far outstrips the surface area of a single ball. The expanded surface area represents a social brand's increased diversity. These surfaces connect and interact with each other in unique ways, offering customers and employees alike a variety of paths toward a myriad of solutions.*** ***If none of the paths prove to be suitable, social employees can carve out new paths on their own."***

—Ethan McCarty, Director of Enterprise Social Strategy, IBM (from Cheryl Burgess & Mark Burgess, *The Social Employee*)

***FYI: This is simply … THE BEST DEFINITION OF SOCIAL BUSINESS … I've seen anywhere.**

IBM Social Business Markers/2005-2012

***433,000 employees on IBM Connection**
***26,000 individual blogs**
***91,000 communities**
***62, 000 wikis**
***50,000,000 IMs/day**
***200,000 employees on Facebook**
***295,000 employees/800,000 followers of the brand**
***35,000 on Twitter**

Source: IBM case, in Cheryl Burgess & Mark Burgess, *The Social Employee*

The "Connection Machine"

"Once thinking is public, connections take over. Anyone who's Googled a favorite hobby, food, or political subject has discovered some teeming site devoted to servicing the infinitesimal fraction of the public that shares their otherwise obscure obsession. (Mine: guitar pedals, modular origami, and the 1970s anime show* Battle of the Planets.*) Propelled by the hyperlink, the Internet is a connection-making machine. And making connections is a big deal in the history of thought."
—Clive Thompson, "THINKING OUT LOUD: How Successful Networks Nurture Good Ideas," *Atlantic*/10.13

Social Survival Manifesto

1. Hiding is not an option.
2. Face it, you are outnumbered. [“Level playing field, arrogance denied.”]
3. You no longer control the message.
4. Try acting like … a human being.
5. Learn to listen, or else. [“REALLY listening to others is a must.”]
6. Admit that you don’t have all the answers.
7. Speak plainly and seek to inform.
8. Quit being a monolith. [“Your employees, speaking online as individuals, are a crucial resource … can be managed through frameworks that ENCOURAGE participation.”]
9. Try being less evil.
10. Pay it forward, now. [“Internet culture is largely built on the principle of the Gift Economy … give value away to your online communities.”]

Source: Tom Liacas, socialdisruptions.com

The Emergent Meaning of "Engagement"

"Customer engagement is moving from relatively isolated market transactions to deeply connected and sustained social relationships. ***This basic change in how we do business will make an impact on just about everything we do."*** **—Dion Hinchcliffe & Peter Kim,** ***Social Business by Design: Transformative Social Media Strategies for the Connected Company***

Social Business:

Empowerment on steroids!

XI. Cross-functional EXCELLENCE

***"Allied commands depend on mutual confidence, and this confidence is gained, above all, through the development of friendships."*—General D.D. Eisenhower**

***"I got to know his secretaries."*—Dick Parsons**
(former CEO Time Warner, on the key to successfully fending off raider Carl Ichan)

Look at any organizational failure, and poor cross-functional integration is more often than not the *chief* culprit. (A strong assertion, I'd be the first to acknowledge—but based on one hell of a lot of observation.) Within an engineering company, for example, research, marketing and finance are routinely at each other's throats—and the result is, say, that a critical new product comes to market 12 months late. Or take the local police and federal police: Each doubtless has the fight against terrorism as their pre-eminent goal—but frequently refuse to share all their data with one another.

****

Strategic advantage #1:

"Let's do lunch."

****

I chose in introducing this topic the word "excellence," as in "cross-functional excellence," or, as I prefer … XFX. That is, the idea here is *not* merely about "removing barriers." It *is* about what I sincerely believe is no less than the No. 1 opportunity to achieve competitive dominance—e.g., cut that new-product development by, perhaps, 50 percent or even more.

I have the utmost respect for Oracle and SAP. But this is not primarily a software issue. Or, rather, it is—but a *softer* form of software. Secret #1 (yes, I'll go that far) is *"Let's do lunch."* In fact I insist, or would if I could, that bosses literally *measure* their direct reports on the number of lunches per month they have with members of other functions!

It works like this: ***Joe in procurement invites Sam in finance to lunch. Odds are high that along the way they discover a host of connections—e.g., both have eighth-graders in the same school. Joe-the-professional will still tenaciously represent his "function," and Sam his—but the tenor of interactions is likely to change significantly, if not dramatically, from "gotcha" to something approaching "How can we colleagues jointly add maximum value—or at least eliminate the wasteful and long-term pollution that accompanies posturing and other petty inter-departmental bullshit?"***

Or this: ***"They brainstormed about how to turn around this*** **[catastrophic]** ***misunderstanding, and came up with a simple plan—every day for the next three months she would have lunch or coffee with one of the partners. Today she is executive vice president for*** **[a Fortune 50 company]*.*** **"—Betsy Myers, on and extraordinarily talented professional who had been blocked from leadership positions in her firm, from *Take the Lead: Motivate, Inspire, and Bring Out the Best in Yourself and Everyone Around You* (A talented partner at a prestigious law firm kept missing the promotions she clearly was due. After some analysis and coaching, it appeared that she had her head down working hard and effectively—but had not bothered to bond with her fellow partners; she assumed that the clearly brilliant work would stand on its own.)**

I call things like "doing lunch" the … ***"social accelerators"*** **… of cross-functional excellence. I can muster a list of a in a flash—e.g., present small *weekly* awards to those in other functions who have helped your team-function move forward. One should not promise miracles lightly, but taken together these notions—a sample of which follows—can lead to miracles of the first order.**

XFX/Cross-Functional EXCELLENCE:

Typical *Social* Accelerators

New product 9 months late to market? Sloppy response to a customer problem? Missed deadlines our de facto trademark? A dark cloud always seems to hover over head? The problem-behind-the-problem is almost always the same: Screwed up cross-functional co-ordination. The answer is not primarily a mega-investment in new "enterprise software," or some such. The answer is a culture of mutual support. Which is to say the answer is … SOCIAL … not technical. To smooth the ties, to make cross-functional cooperation a primo source of value added rather than pain, requires paying rapt attention to what I've come to call the "XFX Social Accelerators." Herein a sample:

1. EVERYONE's (more or less) JOB #1: Make friends in other functions! ***(Purposefully. Consistently. Measurably.)***

2. "Do lunch" with people in other functions!! Frequently!! (Minimum 10% to 25% for everyone? *Measured.*)

3. Ask peers in other functions for references so you can become conversant in their world. (It's one helluva sign of ... GIVE-A-DAMN-ism.)

4. Religiously invite counterparts in other functions to your team meetings. Ask them to present "cool stuff" from "their world" to your group.

5. *PROACTIVELY SEEK EXAMPLES OF "TINY" ACTS OF "XFX" TO ACKNOWLEDGE—PRIVATELY AND PUBLICALLY. (Bosses:* ONCE A DAY … make a short call or visit or send an email of "Thanks" for some sort of XFX gesture by your folks and some other function's folks.)

6. Present counterparts in other functions awards for service to your group. Tiny awards at least weekly; and an *"Annual All-Star Supporters [from other groups] Banquet"* modeled after superstar salesperson banquets.

7. Routinely discuss—*A SEPARATE AGENDA ITEM*—good and problematic acts of cross-functional cooperation at every Team Meeting.

Job #1/ EVERY ONE OF US: Make friends in other functions!*

(*_Purposefully. Consistently. Measurably._)

8. When someone in another function asks for assistance, respond with … *more … alacrity than you would if it were the person in the cubicle next to yours—or even more than you would for a key external customer*. (Remember, XFX is the key to Customer Retention which is in turn the key to "all good things.")

9. *Do not bad mouth ... "the damned accountants," "the bloody HR guy." Ever.* (Bosses: Severe penalties for this—including *public tongue-lashings.*)

10. Get physical! *"Co-location" may well be the most powerful "culture change lever."* Physical X-functional proximity is almost a … *guarantee … of remarkably improved cooperation—to aid this one needs flexible workspaces that can be mobilized for a team in a flash.*

11. Establish "adhocracy" as S.O.P. To improve the new "X-functional Culture" (and business results), little XF teams should be formed on the spot to deal with an urgent issue—they may live for but ten days, but it helps the XF habit, making it normal to be "working the XF way."

12. Early project "management" experience. Within days, literally, of coming aboard folks should be "running" some bit of a bit of a bit a project, working with folks from other functions—hence, "all this" becomes as natural as breathing.

13. Work proactively to give as large as possible numbers of people temporary assignments in other functions—especially Finance.

14. "Get 'em out with the customer." Rarely does the accountant or bench scientist call on the customer. Reverse that. Give everyone more or less regular "customer-facing experiences." She or he learns quickly that the customer is not interested in our in-house turf battles!

15. Formal evaluations. *Everyone, starting with the receptionist, should have a significant XF rating component in their evaluation*. (The "XFX Performance" should be among the Top 3 items in all managers' evaluations.)

16. Consider creating a special role, or even position. Specialty chemical company Buckman Labs established *"knowledge transfer facilitators,"* effectively former "middle managers," with 100% of discretionary pay based on success at spurring integration across previously impermeable barriers.

17. *Every* functional unit should have strict and extensive measures of "customer satisfaction" based on evaluations from other functions of its usefulness and effectiveness and value-added to the enterprise as a whole.

18. Demand XF experience for, especially, senior jobs. For example, the U.S. military requires all would-be generals and admirals to have served a full tour in a job whose only goals were cross-functional achievements.

19. "Deep dip." Dive three levels down in the organization to fill a senior role with some one who has been noticeably pro-active on adding value via excellent cross-functional integration.

20. XFX is … PERSONAL … as well as about organizational effectiveness. PXFX (Personal XFX) is arguably the #1 Accelerant to personal success—in terms of organizational career, freelancer/Brand You, or as entrepreneur.

21. EXCELLENCE! There is a *"State of XF Excellence"* per se. Talk it up constantly. Pursue it relentlessly. Aspire to nothing less.

THE WHOLE POINT HERE IS THAT "XFX" IS ALMOST CERTAINLY THE #1 OPPORTUNITY FOR STRATEGIC DIFFERENTIATION. WHILE MANY WOULD LIKELY AGREE, IN OUR MOMENT-TO-MOMENT AFFAIRS, XFX PER SE IS NOT SO OFTEN VISIBLY & PERPETUALLY AT THE TOP OF EVERY AGENDA. I ARGUE HERE FOR NO LESS THAN …

VISIBLE. CONSTANT. OBSESSION.

Suggested Core Value: ***"We will not rest until seamless cross-functional integration/ communication has become our primary source of value-added. EXCELLENCE in cross-functional integration shall become a daily operational passion for 100% of us."***

"Social" RULES:
A General Primer on "Social" POWER

"Courtesies of a small and trivial character are the ones which strike deepest in the grateful and appreciating heart."

—Henry Clay, American Statesman/1777-1852

"When dealing with people, remember you are not dealing with creatures of logic, but with creatures of emotion, creatures bristling with prejudice and motivated by pride and vanity."

—Dale Carnegie

"Personal relationships are the fertile soil from which all advancement, all success, all achievement in real life grow."

—Ben Stein

***"Let's not forget that small emotions are the great captains of our lives."*—Van Gogh**

***"The 'golden rule' is of no use whatsoever unless you realize it is your move."*—Frank Crane**

"The terms 'hard facts,' and 'the soft stuff' used in business imply that data are somehow real and strong while emotions are weak and less important."*—George Kohlrieser, *Hostage at the Table
(Kohlrieser is a hostage negotiator and professor of management.)

“Courtesies of a small and trivial character are the ones which strike deepest in the grateful and appreciating heart.”

—Henry Clay, American Statesman/1777–1852/epigraph for *The Little BIG Things*

"They brainstormed about how to turn this [catastrophic] misunderstanding around, and came up with a simple plan—every day for the next three months she would have lunch or coffee with one of the partners. Today she is executive vice president for [Fortune 50 company]."*—Betsy Myers, on an extraordinarily talented professional who had been blocked from leadership positions in her firm, from *Take the Lead

"Allied commands depend on mutual confidence and this confidence is gained, above all through the development of friendships."

—General D.D. Eisenhower, in *Armchair General (*"Perhaps DDE's most outstanding ability [at West Point] was the ease with which he made friends and earned the trust of fellow cadets who came from widely varied backgrounds; it was a quality that would pay great dividends during his future coalition command.")**

***"Keep a short enemies list. One enemy can do more damage than the good done by a hundred friends."*—Bill Walsh, *The Score Takes Care of Itself* (Walsh was the San Francisco 49ers Hall of Fame coach.)**

***"Appreciative words are the most powerful force for good on earth."*—George W. Crane, physician, columnist**

"The two most powerful things in existence: a kind word and a thoughtful gesture."

—Ken Langone, co-founder, Home Depot

"The deepest human need is the need to be appreciated."

—William James

***"I denied myself the pleasure of contradicting him abruptly and of showing immediately some absurdity in his proposition; and in answering I began by observing that in certain cases or circumstances his opinion would be right, but that in the present case there 'appeared' or 'seemed to me' some difference, etc. The conversation I engaged in went more pleasantly; the modest way in which I proposed my opinions procured them a readier reception and less contradiction; I had less mortification when I was found to be in the wrong, and I more easily prevailed with others to give up their mistakes and join with me when I happened to be in the right."*—Benjamin Franklin**

***"One kind word can warm three winter months."*—Japanese Proverb**

***"I can live for two months on a good compliment."*—Mark Twain**

"I regard apologizing as the most magical, healing, restorative gesture human beings can make. It is the centerpiece of my work with executives who want to get better."

—Marshall Goldsmith, *What Got You Here Won't Get You There: How Successful People Become Even More Successful*

"I am … hundreds of times better … here because of the support system. ***It's like you are working in an organism; you are not a single cell when you are out there practicing."*** **—Dr. Nina Schwenk, comparing Mayo Clinic to her prior assignment, quoted in Chapter 3, "Practicing Team Medicine," from Leonard Berry & Kent Seltman's *Management Lessons From Mayo Clinic* (Dr. William Mayo formally introduced de facto team medicine—"medicine as a co-operative science"—in 1910. Team medicine is arguably the centerpiece of Mayo's exceptional record; those who don't get with the program are disciplined or even dismissed—including prominent M.D.s.)**

"When I was in medical school, I spent hundreds of hours looking into a microscope—a skill I never needed to know or ever use. ***Yet I didn't have a single class that taught me communication or teamwork skills—something I need every day I walk into the hospital."*** **—Peter Pronovost, *Safe Patients, Smart Hospitals* (Pronovost, a Johns Hopkins M.D., is the creator of the "checklist" approach to improved patient safety, made famous in Atul Gawande's book *The Checklist Manifesto*. Pronovost is responsible for saving many thousands of lives.)**

XII. The “Sharing Economy”

The “sharing economy” is the rage—and, indeed, it is the real thing. The idea stems from an eternal verity. E.g., the quote below dates to 1868:

“Cast your bread upon the waters & it will come back buttered.” **—Louisa May Alcott**

Sharing matters.
Now more than ever.
(It's a *"Share or else"* economy.)
Sharing is … fun.
Sharing is … contagious.
Sharing … works.
Gear up.
SHARE.
NOW.

XII. The (All Powerful) "Hang Out Axiom":

Diversity ("lower case 'd'" diversity) Rules

In every aspect of life, achieving true diversity is a winning strategy. And it must be constantly worked at. Homogeneity is always the default state.

I call it "lower case 'd'" diversity: diversity on any damned dimension you can imagine.

I call it the "squint test." ***Forget quotas, but when you squint at an exec team photo, it ought to look more or less (more more than less) like the market being served.***

Squint test redux: Women buy the lion's share of retail AND commercial goods.* Does your top team reflect that? ***(If it doesn't, you're an … idiot.)***

Diversity battle cry: Fight RHS! (Rampant Homogeneity Syndrome.)

Gary Hamel: "The bottleneck is at the top of the bottle." Worst cases of RHS/Rampant Homogeneity Syndrome are boards and top teams.

Diversity: "You will become like the five people you associate with the most; this can be either a blessing or a curse."—Billy Cox

"You are what you eat."—Victor Lindlahr/nutritionist/1942 "You ARE who you hang out with."—T. Peters

(*“Forget China, India, and the Internet: Economic Growth Is Driven by Women.” —**Headline, *Economist*)**

Diversity: ***"It is hardly possible to overrate the value of placing human beings in contact with persons dissimilar to themselves, and with modes of thought and action unlike those with which they are familiar. Such communication has always been, and is peculiarly in the present age, one of the primary sources of progress."*** **—John Stuart Mill (1806-1873)**

Diversity: ***Hang out with cool and thou shalt become more cool. Hang out with dull and thou shalt become more dull.***

Diversity: ***Your "hang out with" "portfolio" can/should be as carefully concocted/managed/ measured as your strategic plan—it <u>IS</u> your de facto strategic plan!***

Diversity: ***Every relationship-partnership decision (employee/ vendor/customer/etc.) is a strategic decision: "Innovate,'Yes' or 'No.'"***

Diversity: ***"The bottleneck is at the top of the bottle. Where are you likely to find people with the least diversity of experience, the largest investment in the past, and the greatest reverence for industry dogma? At the top!"*** **—Gary Hamel***

***Ouch!** **(And oh-so-TRUE.)**

"Diverse groups of problem solvers—groups of people with diverse tools—consistently outperformed groups of the best and the brightest. If I formed two groups, one <u>random</u> (and therefore diverse) and one consisting of the <u>best</u> individual performers, the first group almost always did better. …

<u>DIVERSITY TRUMPED ABILITY.</u>"

—Scott Page, ***The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies***

Diversity matters: Boards. Exec teams. Customers. Vendors. Consultants. Employees. Benchmarks. Who you go to lunch with. Etc.

Diversity: "Future-defining customers may account for only 2-3% of total, but represent a crucial window on the future."—A. Slywotzky

Diversity: "Don't benchmark, 'Futuremark'!" (Source unk.) (Tommorow is being played out today … SOMEWHERE.)

Diversity: "Don't benchmark, 'Othermark'!" (Source unk.) (Look waaaay outside your industry for lessons.)

Diversity: "Companies have defined so much 'best practice' that they are now more or less identical."—Jesper Kunde/*Unique Now or Never*

Diversity: "While everything may be better, it is also increasingly the same." —P. Goldberger on retail, "The Sameness of Things," *NYTimes*

Diversity: ***"The short road to ruin is to emulate the methods of your adversary."*** **—Winston Churchill**

Diversity seeking: ***"Do one thing every day that scares you."*** **—Eleanor Roosevelt***

(*This is INCREDIBLY hard.)

Diversity seeking: HIRE (explicitly) for …

curiosity.

Diversity seeking: PROMOTE (explicitly) for …

curiosity.

23 Flavors of "Hanging Out"*

***Customers**
***Vendors**
***Out-sourcing Partners**
***Acquisitions**
***Purposeful "Theft"**
***Diversity/"d"iversity**
***Diversity/Women**
***Diversity/Crowd-sourcing**
***Diversity/Weird**
***Diversity/"Deep-dip" Promotions**
***Benchmarks**
***Curiosity**
***Calendar**
***MBWA**
***Lunch/General**
***Lunch/Other Functions**
***Lunch/"Underbelly"**
***Physical Co-location**
***HQ Location**
***Top Team**
***Board of Directors**
***"Brand You"**
***Anti-gravity/Solitude**

***From my paper, "Innovation Strategy Mainstay: The 'Hang Out' Axiom" (available at tompeters.com).**

220 =220 = #1

About 220 work days per year.

Hence: 220 lunches per year.

Hence: 220 “hang out” opportunities … served up on a platter.

Lunch hour passes solo: Hang out opportunity lost forever.
Lunch with pals: Expand-through-new-hangouts opportunity lost forever.
Lost lunch = Evaporated-gone-kaput-wasted opportunity to raise one’s I2Q/Innovator’s IQ.

220 lunches = #1*

STRATEGIC Growth Opportunity?

(*NO KIDDING!)

Diversity battle cry: ***Fight … RHS!***

(Rampant Homogeneity Syndrome.)

Diversity/"Hang Out Axiom"/Billy Cox: ***"You will become like the five people you associate with the most; this can be either a blessing or a curse."***

XIV. The Ultimate Truthteller: TIME!

Your calendar *never* lies.
Your calendar *always* knows.
(Do you?????)

The way we spend our time *is* our priorities.
The way we spend our time *is* our "strategy."
The way we spend our time *is* what we (really) care about.
The way we spend our time *is* what we "are."

Your calendar NEVER lies.

PERIOD.

The Rule of 50 & the Power of Daydreams

"Most managers spend a great deal of time thinking about what they plan to do, but relatively little time thinking about what they plan … not to do. **As a result, they become so caught up … in fighting the fires of the moment that they cannot really attend to the long-term threats and risks facing the organization. So the first soft skill of leadership the hard way is to cultivate the perspective of Marcus Aurelius: avoid busyness, free up your time, stay focused on what really matters.** ***Let me put it bluntly: every leader should routinely keep a substantial portion of his or her time—I would say as much as 50 percent—unscheduled. … Only when you have substantial 'slop' in your schedule—unscheduled time—will you have the space to reflect on what you are doing, learn from experience, and recover from your inevitable mistakes.*** **Leaders without such free time end up tackling issues only when there is an immediate or visible problem. Managers' typical response to my argument about free time is, 'That's all well and good, but there are things I have to do.' Yet we waste so much time in unproductive activity—it takes an enormous effort on the part of the leader to keep free time for the truly important things."**

"The Discipline of Daydreaming": "Nearly every major decision of my business career was, to some degree, the result of daydreaming. … To be sure, in every case I had to collect a lot of data, do detailed analysis, and make a data-based argument to convince superiors, colleagues and business partners. But that all came later.

In the beginning, there was the … daydream.

By daydreaming, I mean loose, unstructured thinking with no particular goal in mind. … In fact, I think daydreaming is a distinctive mode of cognition especially well suited to the complex, 'fuzzy' problems that characterize a more turbulent business environment. … Daydreaming is an effective way of coping with complexity. When a problem has a high degree of complexity, the level of detail can be overwhelming. The more one focuses on the details, the more one risks being lost in them. …* ***Every child knows how to daydream. But many, perhaps most, lose the capacity as they grow up. …"***

Source: Dov Frohman (& Robert Howard), ***Leadership The Hard Way: Why Leadership Can't Be Taught—And How You Can Learn It Anyway*** **(Chapter 5, "The Soft Skills of Hard Leadership")**

Calendar: The RULE OF ONE

"If there is any <u>one</u> 'secret' to effectiveness, it is concentration. Effective executives do first things first … and they do <u>one</u> thing at a time."

—Peter Drucker

Calendar Query #1

(Precisely) how are you going to make the next 15 minutes matter?

XV. Civility!

Marissa Mayer keeps execs waiting in place for hours for a meeting she called. (Per *Vanity Fair*) Contemptible behavior by any measure.* (*Marissa Mayer has a lot of company in the less-than-civil-behavior league. But a timely article in VF enraged me—and triggered this twitterant.)

Marissa Mayer keeps execs waiting for hours: *Can you imagine Warren Buffett doing that?*

Dave Farley: "Astonishingly rude! I gave my former CEOs 15-30 minutes, then I leave. If one tolerates rudeness (abuse), it never ends."

No one is so good at what they do to get a bye for rude behavior. Un-productive doesn't faze me. Un-civil/purposeful incivility turns me … purple with rage.

I'm quite sure Ms. Mayer has no interest in meeting me. I *know* I have no interest in meeting her.

As a 71-year-old, I'd prefer my tombstone *not* say, "He made a lot of $$$, but at the end of the day he was a real shit."

Reading recommendation for Ms. Mayer: *Rules of Civil Behavior In Company & Conversation*, by George Washington

My favorite in G.Washington's book civil behavior: *"Always stand when someone, junior or senior, enters the room."*

(I'm loath to admit it—but sometimes I'm distracted and violate this rule. I kick myself for days. Same with failure to make eye contact.)

Paul Walker: "And move out from behind your desk if you have one."

John Grinnell: "Civil behavior is called civil for a reason. It's the basis of civilization. Hard earned, can be lost."

Hyper-disciplined Marissa Mayer never keeps outsiders waiting, which makes her (hence purposeful) behavior toward insiders even more contemptible.

My rule: ***More important to be on time for insider meetings than outsider meetings. (Happy insiders yield better results—which makes outsider meetings easier.)***

Tim Brander: ***"Internal courtesy sets the tone for external relationships."***

I might be tempted to keep someone waiting, but I would feel the lingering sting of my mother's roundhouse slap and mend my ways posthaste. Dave Wheeler:

"MBMR. Management By Mom's Rules. **Good Home Training applied can be a performance multiplier and persona 'differentiator.'"**

Richard Branson: ***"Respect is how to treat everyone, not just those you want to impress."***

Stretching only a little, I'd say sales is easy if you have a reasonably good product and unreasonably good manners. :-)

Vala Afshar: ***"We are not a team because we work together. We are a team because we respect, trust, and care for each other."***

Sunny Bindra: ***"You're not 'running late,' you're rude and selfish."***

Craig Lorne: ***"Rudeness is lifeblood of forgetting who you serve. Good CEOs support the customers and staff and value follows."***

Horatio Nelson: ***"I have always been a quarter of an hour before my time, and it has made a man of me."***

Since "showing up" is 80% of winning the game, we should bless the laties for making it so easy for us ontimies to win.

(For NFL nuts re this stream, Tom Landry and Bill Walsh were first and foremost gentleman. Fact: Fits comfortably with fierce competitiveness.)

There is a time and place for civility. <u>All</u> the time.

<u>Every</u> place.

Manners = <u>Respect</u>.

“M.R.I. means ‘most respectful interpretation’ of what someone’s saying to you. I don’t need everyone to be best friends, but I need to have a team with M.R.I. So you can say anything to anyone as long as you say it the right way. Maybe you need to practice with, *‘Can you help me understand why you don’t want to do this or why you wanted to do that.’* … I just make it so it’s a human environment.”

—Robin Domeniconi, CMO. Rue La La, a flash sale web site (from Adam Bryant, *Quick and Nimble: Lessons from Leading CEOs on How to Create a Culture of Innovation*)

FYI/Reading recommendation: *The Manager’s Book of Decencies: How Small Gestures Build Great Companies*, by Steve Harrison, Adecco.

"Simple" as K.R.P. (No kidding.)

"Courtesies of a small and trivial character are the ones which strike deepest in the grateful and appreciating heart."—**Henry Clay, American Statesman (1777-1852)**

The above is a STRATEGIC statement.

(40 years of observation and participation say: *Biz is lost more through singular and collective "small" behavioral slip-ups than through performance shortfalls*.)

K = R = P

Kindness = Repeat Business = Profit.

E.g. … ***"There is a misconception that supportive interactions require more staff or more time and are therefore more costly. Although labor costs are a substantial part of any hospital budget, the interactions themselves add nothing to the budget.*** **KINDNESS IS FREE.** ***Listening to patients or answering their questions costs nothing. It can be argued that negative interactions—alienating patients, being non-responsive to their needs or limiting their sense of control—can be very costly. … Angry, frustrated, or frightened patients may be combative, withdrawn and less cooperative—requiring far more time than it would have taken to***

***interact with them initially in a positive way."—Putting Patients First,* Susan Frampton, Laura Gilpin, Patrick Charmel (Griffin Hospital/Derby CT; Planetree Alliance)**

E.g. … ***"I regard apologizing as the most magical, healing, restorative gesture human beings can make. It is the centerpiece of my work with executives who want to get better."*—Marshall Goldsmith, *What Got You Here Won't Get You There: How Successful People Become Even More Successful.***

Kindness:

Thoughtful.
Decent.
Caring.
Attentive.
Engaged.
Listens well/obsessively.
Appreciative.
Open.
Visible.
Honest.
Responsive.
On time all the time.
Apologizes with dispatch for screw-ups.
"Over"-reacts to screw-ups of any magnitude.
"Professional" in all dealings.
Optimistic.

Understands that kindness to staff breeds kindness to others/outsiders.

Applies throughout the "supply chain."
Applies to 100% of customer's staff.
Explicit part of values statement.
Basis for evaluation of 100% of our staff.

Kindness … WORKS!

Kindness … PAYS!

XVI. Politics Is Life. The Rest Is …

The definition of politics is: The essence of getting things done.

Politics is the lifeblood of getting ANYTHING done.

If you dislike politics, then you dislike implementation. PERIOD.

I'm flabbergasted by anyone not understanding that to get anything done he/she must pursue/achieve mastery of politics/political process.

If you dislike politics, then it is a dreadful mistake to be in charge of anything.

To hate all politics is to hate the fact that you were born into the human race.

Politics haters are the same ones who tell the jokes about "Getting things done would be walk in the park if not for the damn people."

Glen Flook: "OMG how true-life is a political process."

Emmanuel Gobillot: "You are so right. Politics is the engine of power. Dismiss either and you are dismissing humanity's search for meaning."

The most activist political bodies I know are families with two teenage kids. Inspiring aspirations, treachery, etc., etc.

There will always be hierarchy. There will always be politics. The idea is to do it well and toward an honorable end.

Brian Scatland: "Majoring in political science served my business career better than my MBA."

Read Robert Caro's *Master of the Senate*. LBJ was a Master Scientist of political process!

Want to save the world? Polio vaccine is useless unless you master the politics of distribution in an impoverished setting!

A process not based on messy human reality is pie-in-the-sky.

If you dislike politics, then you dislike implementation. PERIOD.

If you dislike politics, then it is a dreadful mistake to be in charge of anything.

To hate all politics is to hate the fact that you were born into the human race.

If you give a shit about something, you'll automatically "go political" to gain others' support.

I've never observed a big company that's not very "political." Great *New Yorker* article on the "new" super-companies (Google, et al.); they are fundamentally the same as old supercos in terms of hierarchy, power plays and power trips, politics.

Who says politics is not rational? An asinine notion. It's "political process," but rational if you are a student of politics. If you're not, then leading anything is the wrong career choice.

Politics = Life:

Good restaurants.
Bad restaurants.

Good politics.
Bad politics.

Yawn.

I'm flabbergasted (careful word choice) by anyone not understanding that to get anything done he/she must pursue/achieve mastery of politics/political process.

XVII. Meetings EXCELLENCE

Like it or lump it: Meetings are what bosses "do." Get over it. Act accordingly.

THE meeting issue for boss/chair is: *Will (this meeting) be a Model of Excellence? "Excellence standard" applies as much to a meeting as to ballet/football.*

Theater is event. Football game is event. Surgery is event. And meeting is event. It's up to you whether the standard is mediocrity or excellence.

Meeting: "Theater of inquiry and persuasion and motivation and engagement and enhanced teamwork."

Boss: If staff leaves "morning meeting" less than inspired … *then you pissed the day away due to gross negligence.*

Boss: Only ONE key word concerning EVERY meeting.

PREPARATION.

Grade yourself on meeting prep today. Be tough. Odds of 4.0 GPA are low.

Meetings = #1 leadership opportunity. PERIOD.

Every meeting that does not stir the imagination and curiosity of attendees and increase bonding and cooperation and engagement and sense of worth and motivate rapid action and enhance enthusiasm is a permanently lost opportunity.

The key word is NOT "control." The keyword IS "Excellence."

Does your organization have a full-fledged training course titled "Conducting Excellent Meetings"? If not, why not?

I am not in the least bit interested in "better/well run meetings." I am interested in "EXCELLENT meetings." For heaven's sake, why not?

Scheduling is your personal responsibility. A failing grade almost guarantees failing longterm performance.

Over-scheduling is a mortal, not venial, sin.

I am not in the least bit interested in "better/well run meetings." I am interested in "<u>EXCELLENT meetings</u>." For heaven's sake, why not?

Miscellany: If Your Next Meeting Fails to Excite … It's Your Fault/Your Irretrievable Loss!

Going to a simple cocktail party last night, I found myself, out of habit, scripting first comments for various people. *BEGINNINGS = THE BALLGAME*.

Forget the "meat." (More or less.) *Beginnings and endings overwhelm middles!*

Cocktail party, someone a little over their ethanol limit makes a loud-ish questionable remark as they leave—that's all you remember.

Every meeting needs an energetic-exciting start and a blow-out ending that launches the "To dos" with gusto!

Never ever begin a meeting with an insipid "Let's get started." Begin it with a plunge, not a tiptoe—e.g., some exciting-surprising nugget.

Perhaps begin with a show of enthusiasm, maybe a 90-second report on some little thing that went well, maybe with a kudo to someone at the meeting.

You damn well better believe that superb beginnings and inspiring endings do not occur by accident!

Right before a meeting ends, quickly ask each person how he or she FEELS about the takeaways. Deal now with frowns/disengagement.

Thank *EACH* person, with a specific reference, usually in public, for their contribution to the meeting being wrapped up.

And if you've got a mega-frowner who didn't speak up, try to casually/ unobtrusively catch him/her for a moment as you leave.

At the end of the day, send 2 or 3 notes (or emails) thanking, again, individuals for their contributions.

FYI: Remember, one person's humorous remark is another person's insult. "Humorous" remarks should NEVER be at someone else's expense!!!! (You'd be astonished at the # of "micro-digs" if you bothered to keep track.)

XVIII. Email Excellence (Why Not?)

17 January 2014: Thank you Chris Christie: Anyone who puts anything in any email that might embarrass him/her next week, next month, in 2024, is an ... IDIOT.

A sloppy* email is a total piece of crap. STOP!

(*Sloppy: Ungrammatical. Poorly argued. Equivocal—could be interpreted multiple ways. Flippantly critical of someone/anyone. Rude. Etc. Etc. I.e., "unprofessional.")

On The Ball Theory: "Write, rewrite, wait, and then send—the modern version of think before you speak!"

Assume your boss's boss will read any email you write.

Assume your least supportive colleagues will read any email you write.

Assume one or > one customer will read any email you write.

Assume that any "clever" email you write will go viral.

(Assume your mom will read any email you write. **Sorry, couldn't resist.)**

Medieval times (1999): Oral hissy fit would mostly evaporate in 4-5 days. Modern times, no matter how limited the distribution, it may go viral.

Hasty emotional response is the nightmare scenario!

Same rules for "personal" emails as "professional" ones. Personal emails frequently are not personal.

EMAIL.
EXCELLENCE.

Make this duo a tautology—not an oxymoron.

Ever Heard of the …

Instead of trying to cover a raft of issues, especially people issues, in a long email ... pick up the frigging

PHONE.

(FYI: NO "people issues" in emails. PERIOD.)

Ed Batista: "The (illusory) feeling that we MUST communicate NOW causes so many interactions to go awry. It can wait, really, it can."

Twitter comment: "Or knock on the door."

On the phone you can add 20 degrees nuance in 15 minutes—rather than perhaps coming across as intractable via hard-copy email.

XIX. The Response Is The Problem

I call it … Service Rule #1A

The problem is rarely/never the problem. The response to the problem invariably ends up being the real problem.*

***This sounds like an exaggeration. It is … NOT. From screwed-up U.S. presidencies to losing multi-billion $$ sales, it seems invariably to be a clumsy response to something (initially) relatively "small" that sets in motion a full-fledged meltdown.**

(FYI: Fixing stuff gone wrong by "overdoing it": Research shows it costs about 5X more to acquire a new customer than it does to hold on to an existing customers—in many industries it's more like 500X!)

Service Rule #1B

The 3-minute Rule

There once was a time when a three-minute phone call would have avoided setting off the downward spiral that resulted in a complete rupture.*

***So make the call. Set aside—IN AN ORGANIZED FASHION—a time block to make such calls.**

(*“I regard apologizing as the most magical, healing, restorative gesture human beings can make. It is the … CENTERPIECE … of my work with executives who want to get better.”*

—Marshall Goldsmith, *What Got You Here Won’t Get You There: How Successful People Become Even More Successful*)

Service Rule #1C

Employees FIRST!

David Spellman:

"Customers will only love a company that loves its employees."

BCMac: ***“My corollary is, ‘How we treat one another is ultimately how we treat the clients.’”***

Vala Afshar: ***“I’ve always said ‘You can’t remain a great company on the outside if you aren’t one on the inside.’”***

TP/FYI: This is NOT guru bullshit. This is hard-nosed fact.

Service Rule #1D

ADDICTED to Helping

Twitter comment: "If a window of opportunity opens, do not pass it by or close it."

There is no "if": A "window of opportunity" opens

EVERY day for

EVERY one of us—e.g., helping someone out, unbidden, for 10 minutes.

If you don't help someone out in some little way every day (at work) you are only half a human.

Instinctively helping others at work (little hand on little thing) single best builder positive/people-centric/customer-centric culture.

"Helping" (on every dimension and throughout our community of stakeholders) is not "soft." It is the core of a profit-maximizing STRATEGY.

"Stuff" like listening and helping are core of STRATEGY. (Not mere tactics.)

Doug Shaw: ***"I have a few key principles I operate by.*** ***Offering help is the first one.*** ***That's where it all starts."***

(Doug Shaw: "Here's the full set. Offer help. Experiment. Stay in touch. Speak your mind. Lead by example. Be genuinely interested in people.")

Helping someone out is not "nice"—as a practice, it is a CSA/Core Strategic Asset.

Vala Afshar: "If you are not helpful, you are not influential."

Patricia Martin: "Small stuff done well breeds confidence and opens field of possibilities, too."

We're looking to establish a full-fledged ...

ADDICTION

[to helping].

Excellence is fun. "Small stuff" is more important than big stuff to make it habit-forming & spread the contagion.

Practice of Excellence: **ALL MOTIVATION IS SELF-MOTIVATION.PERIOD.**

(Boss "just" creates a platform, offers encouragement.)

Vala Afshar: ***"A social business feels like a village—people know your name, doors are open late, lights are always on, and people care."***

Frankly, that's why it's [a social business] not an engineered "system," but a way of being

If you don't help someone out in some (little) way every day (at work) you are only half a human.*

***Intentionally strong language!**

XX. Christmas "Thank You" Chronicles

PLEASE consider this. Monday 23rd [December, 2013] or Fri 27th or Mon 30th or

Tues 31st: ***CALL*** **10-50** ***people to thank 'em for their support in 2013.***

The two most important words in leader's language:

"Acknowledge" **&**

"Appreciate." **So at year's end work your ass off on acknowledgement/appreciation.**

21 Dec/I have decided to bug you every day until New Year's Eve to CALL 10-50 people to thank them for their support in 2013.

David Ivers: "It works well Tom! I personally delivered to the 14 people on my team a handwritten Christmas Card with a small Lindt Chocs box."

21 Dec/Christmas gift *from* you today. If shopping, be especially courteous to grouches and smile at stressed-out staff even if service is sub-par.

21 Dec/Best Christmas gift I've heard of this year: Customer brings a cup of coffee mid-morning to our beleaguered local postal clerk.

21 Dec/If, like many of us, you're shopping today, enjoy the madness. Engage the madness in the spirit of Christmas.

21 Dec/Saturday before Christmas. Cherish the madness. You're only here for a little while.

21 Dec/*Be present today.* It's the greatest gift you can give.

21 Dec/The worse your voice, the more vigorously you should sing the Carol. It's about spirit, not 6-sigma quality.

21 Dec/Pop into a church and light a candle for someone sick today. (Even if you are a strict non-believer.)

21 Dec/Make those calls to thank people for their support. Promise: You will enjoy it immensely. (We all need a kick in the ass. Once you start, you'll really get off on it.)

21 Dec/John Barnes: *"On your advice, I've been doing this for 3 years, always one of the professional highlights of the year."*

Dave Wheeler: "And spend a few words/seconds to thank your frontline team individually and personally! Cost minimal. ROI monstrous!"

21 Dec/Dave: "Cost < 0 because it ends up making you feel good at least as much as recipient!"

21 Dec/Nosy me. Asked grocery checkout person how many say "Happy Holidays." She said probably 1 in 4 or 5, "less by late afternoon."

21 Dec/Real key is making kind comment ... WITH EYE CONTACT. Otherwise the gesture is diminished by three-quarters.

Trevor Gay: "Best gift I've had this Christmas was the chat I had with the homeless guy when I took my dog for walk today. Feel blessed."

Monday 12/23: Go on a "Thank you" binge. DAMN IT.

The degree to which the average analytically trained businessperson fails to appreciate TYP/Thank You Power is staggering/pathetic.

Dave Wheeler: **“And spend a few words/seconds to thank your frontline team individually and personally!**

Cost minimal.

ROI monstrous!”

If you feel awkward saying "Thank you," it's because you haven't practiced enough.

If you feel awkward saying "Thank you," tell the person you are thanking that you feel awkward. Zounds. The credit you will get.

Can you say "Thank you" too much? Doubtless, yes. But in the human race's first 60,000 or so years, no one has overdone it so far.

I worry about Syrian civil war & 7,999,999 other things. That people will say thank you too much didn't make my "Top 8,000,000 Worries" list.

Steve Pfistner: "Ah, the joy of affirming another fellow humanoid."

"Affirming another humanoid"—Love it!

Handwritten notes make me weak in the knees.

An "almost" guarantee: Even if your first "Thank yous" seem forced, the response will be so overwhelming that you'll soon be in the groove.

At the very least, you can do a *"Hey, thanks, bro, somehow we survived another year."*

Mike Ferguson: "You're saying I have to make a call, not email, right? I thought so. Okay okay okay."

Ever heard the phrase *"Bet your sweet ass"*?

Cindy Starks: ***"This is one of those things that I just don't understand. I've tried. Why is it so hard for people to say 'Thank You' or 'Thanks'"?***

I am as befuddled as you are.

Drew: ***"The importance of 'Thank you' is drilled into children, yet often lost on adults. It's something I had to relearn."***

Jeff Hathaway: ***"Things like 'Thank you' should be on the list called 'assumptions,' especially for leaders. Maybe why the future is brighter for Women?"***

John Hinton III: ***"I always say 'Please' and 'Thank you.' You never know what type of day someone is having. Best way to convey appreciation."***

John Wheaton (engineering chief): ***"#1 reason engineers leave biz is they are not appreciated."***

Damn right, John. We engineers are human, too. :-)

John Wheaton: ***"Say ['Thank you'] in Monday meetings. Say it on rounds. The more you say it the easier it is."***

Catherine Huggins: ***"Expressing thanks is just another way of acknowledging life is bigger than any one individual."***

Lisa Rokusek: ***"Often it takes the doing of gratitude to ignite the feeling. We can't let a lack of feeling stop us from grateful actions."***

Lars Leafblad (Fundraiser): ***"The five seconds of silence I experience when I call a donor for no other reason than thank you is deafening!"***

Trevor Gay: ***"In my experience the most well received 'Thank you' is one for doing your routine task."***

Amen!!!!!!!! My version: No one ever has an "average day." There's always *something* worth noting.

"The Power of Thanks" is well supported by science, too: http://news.harvard.edu/gazette/story/2013/03/the-power-of-thanks/ …

XXI. The (Awesome) Power of …

Acknowledgement

***"The deepest principle in human nature is the craving to be appreciated."*—William James**

***"The two most powerful things in existence: a kind word and a thoughtful gesture."*—Ken Langone**

***"Good leaders make people feel that they're at the very heart of things, not at the periphery."*—Warren Bennis**

"Leadership is about how you make people feel—about you, about the project or work you're doing together, and especially about themselves."—Betsy Myers, *Take the Lead: Motivate, Inspire, and Bring Out the Best in Yourself and Everyone Around You*

"The philosopher Isaiah Berlin remarked that Churchill 'idealized' his countrymen 'with such intensity that in the end they approached his ideal and began to see themselves as he saw them.'"*—Robert Kaplan, *Warrior Politics: Why Leadership Demands a Pagan Ethos

“Employees who don’t feel significant rarely make significant contributions.”

—Mark Sanborn

Night and Day: Yes, AND …

"Yes, *but* …"

(= "Thanks for the comment … and, ahem, here is what's WRONG with it …" = MIXED MESSAGE/NEGATIVE.)

"Yes, *and* …"

(= "That was an absolutely first-rate comment, AND perhaps WE could even make it better …" = POSITIVE.)

FYI: This is (TRULY) a BIG DEAL.

The (Awesome) Power of Acknowledgement: NOTEBOOK Power

Whenever you are interviewing or meeting with someone … carry (without fail) a notebook.

Take notes.

To be sure, you'll doubtless hear something worth recording. But, mainly (without fail) you will gain the enduring respect of the person you are interacting with.

Why?

By recording their ideas you are saying, in effect, ***"I think you have something to say worthy of recording and I wish to capture it for eternity."***

Always carry the notebook. Take copious notes. Record info. AND: It's the ultimate form of flattery/acknowledgement/respect.

Joel Heffner/Creativity Kit: Field Notes Notebook + Pencil

Stefan Stern: ***"The bosses who don't take notes may also be the ones who say 'Got it!' too quickly when in truth they aren't really listening."***

Sachin Shah: ***"I got our EO's asst to take notes in her meetings so she could listen. She estimated $50k gain in her productivity."***

Note to bosses: ***In your last conversation with an employee, how many pages of notes did you take?***

(Query to bosses: ***In your last conversation with an employee, did you listen (at least) …***

75% ***of the time?)***

XXII. Listening Is Job #1/Make 2014 …

The "Year of the Ear"

I'LL BROOK NO RETORT: REALLY: Nothing but nothing but nothing (but nothing) is more important than listening! To wit:

Listening is ...

(And when you read "listening," please substitute "*OBSESSION* with listening.")

Listening is ... the ultimate mark of *Respect*.

Listening is ... the heart and soul of *Engagement*.

Listening is ... the heart and soul of *Kindness*.

Listening is ... the heart and soul of *Thoughtfulness*.

Listening is ... the basis for true *Collaboration*.

Listening is ... the basis for true *Partnership*.

Listening is ... a *Team Sport*.

Listening is ... a *Developable Individual "Professional" Skill*.*

(*Though women are instinctively *far* better at it than men.)

Listening is ... the basis for *Community*.

Listening is ... the bedrock of *Joint Ventures that work*.

Listening is ... the bedrock of *Joint Ventures that last*.

Listening is ... the core of *effective Cross-functional Communication*.*

(*Which is in turn Attribute #1 of organizational effectiveness.)**

(I know, I keep repeating this—only because "Attribute #1" is no exaggeration.)**

Listening is ... the engine of *superior EXECUTION*.

Listening is ... the key to *making the Sale*.

Listening is ... the key to *Keeping the Customer's Business*.

Listening is ... the engine of *Network development*.

Listening is ... the engine of *Network maintenance*.

Listening is ... the engine of *Network expansion*.

Listening is ... *Learning*.

Listening is ... the *sine qua non of Renewal*.

FYI: Harvard Med School doc Jerome Groopman, in his book *How Doctors Think*, tells us that the patient is the doctor's best source of evidence about the patient's problem. Then, citing hard-nosed research, Groopman asks, *"On average, how long does the patient speak before the doc interrupts?"*

Answer?

"18 … seconds."

"Our work, our relationships, and, in fact, our very lives succeed or fail gradually, then suddenly—<u>one conversation at a time.</u>"

Source: Susan Scott, ***Fierce Conversations: Achieving Success at Work and in Life, One Conversation at a Time***

Listening is ... the *sine qua non of Creativity*.
Listening is ... the *sine qua non of Innovation*.
Listening is ... the core of *taking Diverse opinions aboard*.
Listening is ... *Strategy*.
Listening is ... *Source #1 of "Value-added."*

Listening is ... *Differentiator #1*.

Listening is ... *Profitable*.*

(*The "R.O.I." from listening is higher than from any other single activity.)
Listening underpins ... *Commitment to EXCELLENCE*.

Do you agree with the above?
(Frankly, that's a set-up question. How could you *not* agree?)
(I hope.)

If* you agree, shouldn't listening be ... *a Core Value?
If* you agree, shouldn't listening be ... *perhaps Core Value #1?*
(* "We are Effective Listeners—we treat Listening EXCELLENCE as the Centerpiece of our Commitment to Respect and Engagement and Community and Growth"—or some such.)
If* you agree, shouldn't listening be ... *a Core Competence?
If* you agree, shouldn't listening be ... *Core Competence #1?

****

Shouldn't listening be … *Core Competence #1?*

****

If* you agree, shouldn't listening be ... *an explicit "agenda item" at every Meeting?
If* you agree, shouldn't listening be ... *our Strategy—per se? (Listening = Strategy.)
If* you agree, shouldn't listening be ... *the #1 skill we look for in Hiring (for every job)?
If* you agree, shouldn't listening be ... *the #1 attribute we examine in our Evaluations?
If* you agree, shouldn't listening be ... *the #1 skill we look for in Promotion decisions?
If* you agree, shouldn't listening be ... *the #1 Training priority at every stage of everyone's career—from Day #1 to Day LAST?

If **you agree, what are you going to do about it ...** ***at your*** **NEXT meeting?**

If **you agree, what are you going to do about it ...** ***by the end of the*** **DAY?**

If **you agree, what are you going to do about it ...** ***in the next*** **30 DAYS?**

If **you agree, what are you going to do about it ...** ***in the next*** **12 MONTHS?**

If **you agree, what are you going to do about it …** ***in the next*** **…**

30 MINUTES?

"It's amazing how this seemingly small thing—simply paying fierce attention to another, really asking, really listening, even during a brief conversation—can evoke such a wholehearted response."

—Susan Scott, *Fierce Conversations: Achieving Success at Work and in Life One Conversation at a Time*

"Let Silence Do the Heavy Lifting"

—chapter title from Susan Scott, *Fierce Conversations: Achieving Success at Work and in Life One Conversation at a Time*

"There is a profound difference between having a title … and being someone to whom people commit at the deepest level. If we wish to accomplish great things in our organizations, we must come to terms with a basic human need: a universal longing to be known." **—Susan Scott, "Be Here, Be Prepared to Be Nowhere Else," chapter title, *Fierce Conversations: Achieving Success at Work and in Life One Conversation at a Time***

"It was much later that I realized Dad's secret. He gained respect by giving it. He talked and listened to the fourth-grade kids in Spring Valley who shined shoes the same way he talked and listened to a bishop or a college president.

He was seriously interested in who you were and what you had to say." ***—Sara Lawrence-Lightfoot, Respect***

"My education in leadership began in Washington when I was an assistant to Defense Secretary William Perry. He was universally loved and admired by heads of state … and our own and allied troops. ***A lot of that was because of the way he listened. Each person who talked to him had his complete, undivided attention. Everyone blossomed in his presence, because he was so respectful, and I realized I wanted to affect people the same way.***

"Perry became my role model but that was not enough. Something bigger had to happen, and it did .It was painful to realize how often I just pretended to hear people. ***How many times had I barely glanced up from my work when a subordinate came into my office? I wasn't paying attention; I was marking time until it was my turn to give orders.*** **That revelation led me to a new personal goal. I vowed to treat every encounter with every person on Benfold [Abrashoff was the Captain] as the most important thing at that moment. It wasn't easy, but my crew's enthusiasm and ideas kept me going.**

"It didn't take me long to realize that my young crew was smart, talented and full of good ideas that usually came to nothing because no one in charge had ever listened to them. … I decided that my job was to listen aggressively …"

—Mike Abrashoff, ***It's Your Ship: Management Techniques from the Best Damn Ship in the Navy***

Suggested addition to your statement of Core Values: ***"We are Effective Listeners—we treat Listening <u>EXCELLENCE</u> as the Centerpiece of our Commitment to Respect and Engagement and Community and Growth."***

Mikael Pawlo/tweet: ***“Nothing beats eye-to-eye or ear-to-ear. Asking questions and listening with a smile is raw power.”***

TP: Amen.

“The best way to persuade someone is with your ears, by listening to them.” **—Dean Rusk**

"If you don't listen, you don't sell anything."

—Carolyn Marland, former CEO, Guardian Group

8 of 10 sales presentations fail

50% failed sales presentations: talking "at" before listening!

Source: Susan Scott, "Let Silence Do the Heavy Listening," chapter title, *Fierce Conversations: Achieving Success at Work and in Life, One Conversation at a Time*

The Good Listener's Rules …

Exists totally for the given conversation. ***There is nothing else on earth of importance for those 45 minutes.***

To co-opt a great book*: ***fierce attentiveness*****.**
(Susan Scott, *Fierce Conversations*)

Keep your f-ing mouth shut.

Gives the other person time to stumble toward clarity without interruption.

NEVER finishes the other person's sentence.

Becomes invisible; make the other person the centerpiece.

Does not EVER take a call, even from your boss.

Takes (extensive) notes.

Calls **(emails)** ***a couple of hours later to thank the other for their time.***

Calls the next day with a couple of follow-up queries.

Leaves it mostly open-ended; does not conclude with your view of the world.

Doesn't pontificate for even 17 seconds!

Tom Asacker: ***"It doesn't matter what people think about you. Rather, how you make them feel about themselves in your presence."***

TP: Stunningly well said.

Manager, from Twitter: ***“I always write ‘LISTEN’ on the back of my hand before a meeting.”***

“EVERYONE has a story to tell, if only you have the patience to wait for it and not get in the way of it.”

—Charles McCarry, *Christopher’s Ghosts*

Listening-as-**PROFESSION**

I consider bosses of units > 25 employees with no substantial … FORMAL LISTENING TRAINING … to be guilty of dereliction of duty.

Tim Baker: ***"Simply put, I think many people underestimate the effort proper listening requires."***

If you ain't exhausted (after a serious conversation), then you weren't really listening. (That is not a throwaway line.)

***Really* listening is literally the most exhausting activity I know—that includes vigorous physical activities.**

Saurabh Gupta: ***"Not only effort but concentration as well."***

John Morrison: ***"It's not 'listening'; it's 'absorbing' …"***

TP: ***[Listening is] a lotta stuff. "Acknowledging" is a good part of the definition, too.***

Trevor Gay: "I've a friend-mental health counselor; if he sees 3 patients a day he is exhausted & it's TOO BUSY."

David Spellman: ***"I taught a management class yesterday on 5 levels of listening: Ignoring, Pretending, Selective, Attentive, and Empathic. KEY skill set."***

TP: **Bravo!**

Cary Cooper: "A few years ago I coauthored a book titled *Shut Up & Listen!*"

TP: **Bravo!**

House of Faith (Twitter I.D.): ***"Listening is a lost art today. The ability to 'talk over' another is prized. Loose lips still sink ships!"***

Tim Baker: ***"There are those who listen and there are those who are just waiting to talk (again) (and again)."***

Preparing retort while another talking = Anti-listening.

McKinsey [in my time]: ZERO interest in topic per se, 100% prepping to demo intellectual horsepower w/ clever retort.

Susan Cain addresses this brilliantly in her book *Quiet*. (Alas, research clearly indicates we evaluate the "talk over" types as smarter. More fools us!)

Then there's my motto: 100% of communication failures are … *my fault.* (It is up as communicator to me to figure out how to be effective in communicating with any given person in the immediate context of the exchange—e.g., they're having a bad day, good day, etc.)

FYI, if you do public speaking, listening to your audience still skill #1. Bet I make 200 adjustments in a 1-hour speech based on what I "hear."

Rich McDonald: "DITTO! It's why I don't memorize ANY scientific presentations; I listen to audience's words … *& 'listen' to their eyes/grunts/hand gestures/posture."*

Key word (re listening):

PRACTICE!

Effective listening is a …

PROFESSION!

It's no different than neurosurgery or particle physics. Study and practice and refresh accordingly.

Professional Skill #1 for every leader is …

LISTENING!

(I AM DEADLY SERIOUS ABOUT THIS. NOT AN APPROXIMATION.)

B.School: 3 finance courses, 3 accounting courses, 3 marketing courses,

ZERO listening courses.

IMPEACH the Dean/s!

No listening course at your b.school?
Demand a full tuition refund with interest plus a letter of apology signed by the dean.

Cary Cooper: ***"When have managers ever been trained to be on 'receive' rather than 'transmit'? Our B.Schools don't teach it, neither do exec programs!"***

Edward Nevraumont: ***"Forget a course on listening, why not start with a class? Most B.Schools throw their hands in the air on Leadership in general."***

All generals, admirals, and CEOs should attend a listening refresher course annually!

(Margot Durkin: *"And school principals, too!"*)

Chris Oestereich: *"The 'soft' skills are anything but!"*

EVERY boss needs a … NBB/

No Bullshit Buddy …

to give him/her* regular feedback on listening behavior. (*FYI: Evidence and anecdote both crystal clear: WOMEN are, indeed, better listeners—and, yes, more often than not better leaders—than men.)

Trevor Gay: "I once had a boss who regularly asked me; *'Have you given your team a good listening to lately?'"*

(Last word: A key reason *In Search of Excellence* was successful: *Bob Waterman was/is a peerless listener!*)

More: (Hard-Nosed) Musings on Listening

Bosses: Get your shit together.

See if you can go … 90 consecutive minutes … without interrupting anyone.

Re the truly important stuff (communication related), you must have a trusted no-bullshit buddy who will give you straight feedback.

Listening is primarily about a focused emotional commitment to the speaker.

Bosses: Listening attentively is the most potent motivator ever invented!

Venkata Krishnan: **"Realize that focus, especially on phone calls, increases substantially when I remove my glasses! Truly spectacular!"**

Bosses: **Listening is selfish.**
You learn stuff.

Bosses: **If you hear yourself say,**
"We've tried that and ...," **RUN**
back to your office, close the door, and bang head against the wall 5 times.

Bosses: **It's 2014. Go high-tech! Write on the back of your hand:**

"Shut up."

Bosses: **Need a vibrator app that will go off in your pocket when you talk more than 2 minutes straight.**
(Name it "Ego suppressor.")

Himay Zepeda: **"Also, should go off whenever 'l' is used in a sentence more than once."**

David Locke: "A boss that has a lot to say obviously didn't hire his staff well."

Jeff Reynolds: "Active listening = Committed to giving a shit."

Listening: **Beware the "snappy" "clever" reply. Shut up and wait for/respect sloppy answers that result from thinking before one speaks.**

Tim Fargo: "If you do not know how to ask the right question, you discover nothing."—W. Edwards Deming

BUT: Best question is [often] no question. Silence is best "question." People will proffer interesting truths if given breathing room.

Tim Fargo: "With apologies to Roosevelt: Be sincere, be concise, be quiet."

Tim Fargo: "How does the [boss's] conversation [with a front-liner] get initiated?"
Boss to front line person/vibes: "I am so f-ing tired of hanging out w/ overstuffed egos. Please help me understand what's REALLY going on."

You will never get anywhere with "listening" until your body language screams: "I am so thoroughly delighted to be here with you."
Most important ingredient is body language that communicates you think it's great that X is here with you.

Listener's body language toward other person:

"I HAVE NOTHING ELSE IN THE WORLD TO DO RIGHT NOW EXCEPT BE HERE WITH YOU."

It occurs to me that listening might be enhanced if you didn't wear a watch?

It is axiomatic that you CANNOT listen effectively if there is ANY computer screen or other device to which your eyes might stray.

There is no form of torture that is unmerited for a boss who constantly looks at his watch.

Definition of a shitty listener: A boss who is as much as … 30 seconds late … to a meeting.

XXIII. Quiet, Please:
Bring on the INTROVERTS

"We live with a value system that I call the Extrovert Ideal—the omnipresent belief that the ideal self is gregarious, alpha, and comfortable in the spotlight. The archetypal extrovert prefers action to contemplation, risk-taking to heed-taking, certainty to doubt. … We think that we value individuality, but all too often we admire one type of individual … Introversion is now a second-class personality trait. … The Extrovert Ideal has been documented in many studies. Talkative people, for example, are rated as smarter, better looking, more interesting, and more desirable as friends. Velocity of speech counts as well as volume: We rank fast talkers as more competent and likeable than slow ones. ***But we make a grave mistake to embrace the Extrovert Ideal so unthinkingly.*** **… As the science journalist Winifred Gallagher writes, 'The glory of the disposition that stops to consider stimuli rather than rushing to engage with them is its long association with intellectual and artistic achievement. Neither E = mc squared or Paradise Lost was dashed off by a party animal.' Even in less obviously introverted occupations, like finance, politics, and activism, some of the greatest leaps forward were made by introverts … figures like Eleanor Roosevelt, Warren Buffett and Gandhi achieved what they did not in spite of but because of their introversion."**

—Susan Cain, ***Quiet:*** ***The Power of Introverts in a World That Can't Stop Talking***

"If you are a manager, remember that one third to one half of your workforce is probably introverted, whether they appear that way or not. **Think twice about how you design your organization's office space. Don't expect introverts to get jazzed up about open office plans or, for that matter, lunchtime birthday parties or teambuilding retreats. Make the most of introverts' strengths—these are the people who can help you think deeply, strategize, solve complex problems, and spot canaries in your coal mine.**

"Also remember the dangers of the new groupthink. If it's creativity you're after, ask your employees to solve problems alone before sharing their ideas …* ***Don't mistake assertiveness or elegance for good ideas.*** **If you have a proactive workforce (and I hope you do), remember that they may perform better under an introverted leader than under an extroverted or charismatic one."**

—Susan Cain, ***Quiet: The Power of Introverts in a World That Can't Stop Talking***

“The next time you see a person with a composed face and a soft voice, remember that inside her mind she might be solving an equation, composing a sonnet, designing a hat. She might, that is, be deploying the power of quiet.”

—Susan Cain, ***Quiet: The Power of Introverts in a World That Can’t Stop Talking***

(FYI: The book QUIET literally changed my life—and has made me a frothing crusader. I am guilty of extrovert-love. Extrovert-love more or less means … you are ignoring* (the stupendous power of) *half the population. That is fact … and not an approximation.)

The BIG THREE

What do we (actually) … Do?

TALK. (Present.)

LISTEN.

WRITE.

Why have we most likely *never* studied the first two* (*especially #2/Listening), and probably not studied the third since high school?

Anybody up for … **MASTERY?**

The Big Three Plus ONE: Body Language RULES

So: PAY ATTENTION.

(Damn it.)

***"Research indicates the pitch, volume, and pace of your voice affect what people think you said about five times as much as the actual words you used."*—*Stanford Business*/Spring 2012/on the work of Prof. Deborah Gruenfeld**

"[Professor Linda Gruenfeld] ***pulls bits and pieces from her brain in order to persuade her audience with rational arguments. Yet her research tells her—and you—that it isn't the quality of her arguments that will persuade people. It is, rather, how she conveys it. 'Your status,' she says, 'is determined by physical attributes and nonverbal cues. People decide if you are competent in less than 100 milliseconds.'"*—*Stanford Business*/Spring 2012**

"I know that everything I do in the hallway is more important than anything I say in the meeting."
—CEO/telecom company, in Carol Kinsey Goman, ***The Silent Language of Leaders: How Body Language Can Help—or Hurt—How You Lead***

“Mandela, a model host [in his prison hospital room] smiled grandly, put [Justice Minister Kobie] Coetzee at his ease, and almost immediately, to their quietly contained surprise, prisoner and jailer found themselves chatting amiably. … *[It had mostly] to do with body language, with the impact Mandela’s manner had on people he met. First there was his erect posture. Then there was the way he shook hands. The effect was both regal and intimidating, were it not for Mandela’s warm gaze and his big, easy smile.* … Coetzee was surprised by Mandela’s willingness to talk in Afrikaans, his knowledge of Afrikaans history.” Coetzee: “He was a born leader. And he was affable. He was obviously well liked by the hospital staff and yet he was respected even though they knew he was a prisoner.”—John Carlin, *Playing the Enemy: Nelson Mandela and the Game that Made a Nation* (Mandela meets surreptitiously with justice minister after decades in prison—and turns on the charm.)

Albert Mehrabian's (directional) "7-38-55 Rule"* **

Your words: **7%**

Your tone of voice: **38%**

Your body language: **55%**

***7% of message pertaining to feelings and attitudes is in the words that are spoken.**

38% of message pertaining to feelings and attitudes is paralinguistic (the way that the words are said).

55% of message pertaining to feelings and attitudes is in facial expression.

(WARNING: This research is somewhat controversial.**

XXIV. The 50 “Have Yous”

While waiting in the Albany airport to board a Southwest Airlines flight to Reagan one morning, I happened across the latest* Harvard Business Review*, on the cover of which was a bright yellow “lead article” sticker. On it were the words “Mapping your competitive position.” It referred to a feature article by my friend and admired colleague Rich D’Aveni.

Rich’s work is uniformly good—and I have said as much publicly on many many occasions dating back 15 years. Moreover, I’m sure this article is first-rate, too—though I admit I didn’t read it.

In fact, it triggered a furious negative “Tom reaction,” as my wife calls it. Of course I believe you should worry about your “competitive position.” But instead of obsessing on competitive position and other abstractions, as the B.Schools and consultants would invariably have us do, I instead wondered about some “practical stuff,” which I believe is far, far more important to the short-* **and** *long-term “strategic” health of the enterprise, tiny or enormous.

Hence, rather than an emphasis on competitive maps or looking for a “blue ocean” (empty space, per the popular book* Blue Ocean Strategy*), I urge you to pay attention to my 50 “Have Yous,” as I call them. The list could easily be three times as long—but this ought to keep you occupied for a while. Of course, the underlying hypothesis is that if you proactively do the “small stuff” below, your “competitive position” will improve so much that mapping will become a secondary issue!

Herewith:

1. Have you called a customer ... TODAY?

2. Have you in the last 10 days ... visited a customer?
3. Have you in the last 60-90 days ... had a seminar in which several folks from a key customer’s operation (different levels, different functions, different divisions) interacted, via facilitator, with various of your folks? (Goal: Fully integrates us with our key customers—and makes it clear we want to get to know them on all levels.)
4. Have you thanked a front-line employee for a small act of helpfulness ... in the last three *days*?

5. Have you thanked a front-line employee for a small act of helpfulness in the last ...

THREE HOURS?

6. Have you thanked a front-line employee for carrying around a great attitude ... *TODAY*?
7. Have you in the last week recognized—publicly—one of your folks for a small act of *cross-functional cooperation*? ("Small," social acts enhancing cross-functional bonding may be my Obsession #1.)
8. Have you in the last week recognized—publicly—one of "their" folks (another function) for a small act of cross-functional cooperation with your gang?
9. Have you invited in the last month a leader of *another function* to your weekly team priorities meeting?
10. Have you personally in the last week-month called-visited an internal or external customer to *sort out, inquire,* or *apologize* for some little or big thing that went awry? (No reason for doing so? If true—in your mind—then you're more out of touch than I dared imagine. Pity.)
11. Have you in the last two days had a chat with someone (a couple of levels "down") about specific deadlines concerning a project's next steps?
12. Have you in the last two days had a chat with someone (a couple of levels "down"?) about specific deadlines concerning a project's next steps ... and what specifically *you can do to remove a hurdle*? (Boss as CHRO, Chief Hurdle Removal Officer. Peter Drucker: "Ninety percent of what we call 'management' is doing things that make it more difficult to get things done.")
13. Have you celebrated in the last week a "small" (or large!) *milestone* reached? (I.e., are you a milestone fanatic? Are you a celebration fanatic?)
14. Have you in the last week or month revised some estimate in the "wrong" direction (i.e., acknowledged that things were more problematic than previously estimated) and apologized for making a lousy estimate? (*Somehow or other you must publicly reward the telling of difficult truths—and the reporting of bad news.*)
15. Have you installed in your tenure a very comprehensive customer satisfaction scheme for all your *internal* customers? (With major consequences for hitting or missing the mark.)
16. Have you in the last six months made a week-long, visible, very intensive *visit-"tour"* of external customers' operations?

17. Have you in the last 60 days called an abrupt halt to a meeting and "ordered" everyone to get out of the office and "into the field" *immediately* with the *order* to fix (f-i-x, finito!) *some/any* nagging "small" problem through immediate practical action?

18. Have you in the last week had a rather thorough discussion of a "trivial" "cool design thing" someone has come across—*away* from your industry or your function—at a website or in a product or its packaging? And do you urge/insist that everyone (*every* one) be on the lookout for, bring in, and present "incredibly cool stuff I've found" from "everyday life"?

19. Have you in the last two weeks had an informal meeting—at least an hour long—with a front-line employee to discuss "things we do right," "things we do wrong," and "What would it take to turn this job into something approaching their "dream job"?

20. Have you in the last 60 days had a general meeting to discuss "things we do wrong" ... that we can fix in the next 14 days? (With follow-up *exactly* 14 days later.)

21. Have you had, in the last year, a one-day, intense offsite with each of your principal internal customers—followed by a substantial celebration of "things gone right" on both parties' parts?

22. Have you in the last week privately pushed someone to do some family thing that you fear might be overwhelmed by internal deadline pressure?

23. *Have you learned the names of the children of everyone who reports to you?* (If not, you have 30 days to fix it.)

24. Have you taken, in the last month (two weeks?), an interesting-*weird* outsider to lunch? And, do you keep careful track of "weirdo lunches"?

25. Have you in the last month invited an interesting-weird *outsider* to sit in on an important meeting?

26. Have you in the last three days discussed in a meeting something interesting, beyond your industry, that you ran across while reading, etc.? (This means more than an email from you with a cyberlink or two.)

27. Have you in the last 24 hours injected into a meeting "I ran across this interesting idea in (strange place)"?

28. Have you in the last two weeks asked someone to report on something, anything that constitutes an act of brilliant service rendered in a "trivial" situation—restaurant, car wash, etc.? (And then discussed the relevance to your work—and then implemented *on-the-spot* some little thing from what they learned?)

29. *Have you in the last 30 days examined in detail (hour by hour) your calendar to evaluate the degree to which "time actually spent" mirrors your "espoused priorities"?*

(And repeated this exercise with everyone on the team.)

30. Have you in the last two months had a presentation to your group by a "weird" outsider?

31. Have you in the last two months had a presentation to the group by a customer, internal customer, vendor featuring "working folks" 3 or 4 levels down in the vendor/customer/internal customer organization (and in your organization)?

32. Have you in the last two months had a presentation to the group of a cool, beyond-our-industry idea by two of your folks?

33. Have you at every meeting today (and forevermore) redirected the conversation to the practicalities of implementation concerning some issue before the group?

34. Have you at every meeting today (and forevermore) had an end-of-meeting discussion on "action items to be dealt with in the next 4, 24, 48 hours"? (And then made this list public—and followed up in 4 or 24 or 48 hours.) (And made sure everyone has at least one such item.)

35. Have you had a discussion in the last six months about what it would take to get recognition in a local-national poll of … *"best places to work"*?

36. Have you in the last month approved a *cool-different-very different training course* for one of your folks?

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

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

39. Have you in the last week discussed the idea of …

"*Wow*"? (What it means, how to inject it into an ongoing "routine" project.)

40. Have you in the last 45 days assessed some major internal process in terms of the details of the "experience," as well as results it provides to external or internal customers?

41. Have you in the last month had one of your folks attend a meeting you were supposed to go to, which therefore gives them unusual exposure to senior folks?

42. Have you in the last 60 (30?) (15?) (7?) days sat with a trusted friend or "coach" to discuss your "management style"—and its long- and short-term impact on the group?

43. Have you in the *last three days* considered a professional relationship that was a little rocky and made a call to the person involved to discuss issues and smooth the waters? (Taking the "blame," fully deserved or *not,* for letting the thing-issue fester.)

44. Have you in the last ... *two hours* ... stopped by someone's (two-levels "down") office-workspace for 5 minutes to ask *"What do you think?"* about an issue that arose at a more or less just completed meeting? (And then stuck around for 10 or so minutes to listen—and *visibly* taken notes.)

45. ***Have you ... in the last week ... looked around you ("eyeballed") to assess whether the diversity of the group pretty accurately mirrors the diversity of the market being served?***

(And began to act on the disparity, if it exists?)

46. Have you in the last day at some meeting gone out of your way to make sure that a normally reticent person has been engaged in a conversation—and then thanked him or her, perhaps privately, for their contribution?

47. Have you in the last four months had a half-day, full-team session specifically aimed at checking on the "corporate culture" and the degree we are true to it—with presentations by relatively junior folks, including front-line folks? (And with a determined effort to keep the conversation restricted to "real world" "small" cases—not theory.)

48. Have you in the last six months talked about the *Internal Brand Promise*—i.e., what you and the organization promise to employees in terms of respect and growth *opportunities*?

49. Have you in the last year had a full-day off-site to talk about individual (and group) aspirations?

50. Have you called a customer ... TODAY?

(51. Have you "mapped your competitive position" since you finished this checklist? Now it's okay to do.)

Do You … *Hear Me?*

Have You ... *Started?*

Obviously I hope you'll use this list. Perhaps as follows:

(1) Circulate to your team.
(2) Agree on no more than a half-dozen items to act as a Starter Action List.

(3) Pick ONE item.

(4) Do it TODAY.

(5) Repeat once a week.

Addendum: Getting Things Done

"THE EQUATIONS":
An Engineer's View of a Few ...
Secrets of Effective Implementation

Engineers live for mathematical and/or algebraic representation of any and all things. Hence, I, an unrepentant engineer, offer this set of "equations" aimed at helping you, engineer or not, boost your odds of success at implementing damn near anything. Tongue is in cheek—but not very far!

Success at GTD/Getting Things Done Is a Function of ...

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

Success is a function of: Number and depth of relationships 2, 3, and 4 levels down inside and outside the organization. (The "real work" is mostly done out of sight.)

S = *f*(SD>SU)

"Sucking down" is more important than "sucking up"—the idea is to have the entire "underbelly" of the organization working for you. (This idea from *Charlie Wilson's War*.)

S = *f*(#FNF, #LFNF)

Secret to all-importatnt Cross-Functional EXCELLENCE: Number of friends not in my function (FNF), # lunches with FNFs (LFNF).

S = *f*(#FF)

Number of friends in the finance organization. Big deal! "It" (just about everything) passes through finance!

S = *f*(OF)

Number of oddball friends. Oddball times means we need oddball input!

S = *f*(PDL)

Purposeful, deep listening—this is *very* hard. And it may well be "Core Competence #1. Become a *"professional listener*"—may be single biggest boost toward a successful career.

S = *f*(#EODD3MC)

Number of end-of-the-day difficult (you'd rather avoid) *"3-minute calls"* that soothe raw feelings, mend fences, etc. THREE MINUTES in a timely fashion can turn the world (a relationship of abiding importance) upside down!

S = *f*(UFP, UFK, OAPS)

Unsolicited Favors Performed, UFs involving co-workers' kids (!!), overt acts of politeness-solicitude toward co-workers' spouses, parents, etc.

S = *f*(#TYsT)

Number of “thank you”s today, number of thank you notes sent today.

S = *f*(SU)

Show up!

S = *f*(1D)

Seeking the assignment of writing first drafts, minutes, etc.

S = *f*(#SEAs)

Number of solid relationships with Executive Assistants.

S = *f*(%UL/w-m)

% useful lunches per week, month.

S = *f*(FG/FO, BOF/CMO)

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

S = f(CPRMA, MTS)

Conscious-planned relationship management activities, measured time spent thereon.

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

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

S = *f*(PT100%A“T”S, E“NMF”—TTT)

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

S = *f*(UAAR, NBS-NSG)

Universal accountability-acceptance of responsibility for all affairs, no blame-shifting, no scape-goating.

S = *f*(APLSLFCT)

Awareness, perception of “little” snubs—and lightning fast correction thereof.

S = *f*(ODPIRAAS)

Overwhelming, disproportionate, instantaneous reaction to any and all screw-ups.

S = f(G)

Grace.

S = *f*(GA)

Grace toward adversary.

S = *f*(GW)

Grace toward the wounded in bureaucratic firefights.

S = *f*(PD)

Purposeful decency.

S = *f*(EC, MMO)

Emotional connections, management and maintenance of.

S = *f*(IMDOP)

Investment in Mastery of Detailed Organizational Processes.

S = *f*(H/TS)

Time spent on Hiring.

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

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

S = *f*(%“SS,” H-PD)

% of soft stuff involved in hiring, promotion decisions.

S = *f*(TSWA, P, NP)

Time spent wandering around, purposeful, non-planned.

S = *f*(SBS)

Slack built into schedule.

S= *f*(TSHR)

Time spent ... Hurdle Removing.

S = f(%TM"TSS," PM"TSS," D"TD""TSS")

Success is a function of % of time, measured, on this *Soft Stuff*, purposeful management of this *Soft Stuff*, daily "to-do" concerning "*this Soft Stuff*."

XXV. 2013-14/New Year's Week

This week you get a twofer. An ending and a beginning. ***Beginnings and endings are all-important.*** **Act accordingly.**

As year closes, emphasize that we are a team moving forward. Use the word

"We" **per se until you're blue in the face.**

Bosses. This week collect folks' 2013 stories. With mouth mostly shut, ears open, encourage energetic commitment to personal growth in 2014.

Good or not so good results, most folks have done their bit to contribute. Show your appreciation this week.

Pope Francis has made an enormous impact on an enormous institution with his way of being. Apply to your wee corner of the world this week.

Bad year? It happens. Be a paragon of grace and thoughtfulness.

Good year or not so good year, end it on a high with an un-showy show of energy and enthusiasm and appreciation and joie de vivre.

Make 2014 the year of committed servant leadership.

2014: Thought for those NOT in formal leadership slots: ***Every day, on or off the job, offers up a plethora of leadership opportunities! Go for it!***

May each and every one of those you are privileged to lead have a 2014 marked by accomplishment and growth.

Make 2014 the year of committed … servant leadership.

Thought for 2014 for those *not* in formal leadership slots: ***Every day, on or off the job, offers every one of us a plethora of leadership opportunities!***

Go for it!

Year's End: Lessons About Enterprise and Life Itself … While Baking Christmas Cookies

A couple of hours in a hot kitchen can teach you as much about business and management as the latest books on re-engineering or total quality management. That's my take, anyway, after a bout of Christmas-cookie baking. Here are 11 lessons for life (and enterprise), fresh from the oven:

1. Engagement. Watching others helps, but you've gotta get your hands dirty. I hadn't made cookies for years, so I observed a friend do a few batches. I thought I was learning something, and I suppose I was—but nothing really clicked until my hands were covered with flour.

Lesson (for trainers especially): *Cut the lectures. Get folks involved in "real stuff" very quickly!*

2. A plan. I'm not keen on planning in general, but a time-tested recipe is a godsend. First, it's roughly "right." More important, it gives you the confidence to get started.

Lesson: *Any plan is a help; it gives folks the sense they aren't aimlessly flailing.*

3. Art. The plan is an outline—not Holy Writ. Plans, including recipes, are made to be tinkered with—and eventually torn up. Cookie making, software design, and real-estate lending are art. And it's the artists, not the slavish followers of others' recipes, who land in the world's halls of fame.

Lesson: *Blind devotion to any plan is downright dumb!*

4. Trial and errors. Yes, I'd watched a master at work (or at least a pretty good cook), but in my first hour of hands-on work, with instructions close at hand, I made dozens of mistakes, large and small. And in business life, real life, and cookie-making life, error is the fuel that drives you.

Lesson: *Don't "tolerate" mistakes. Embrace them!*

5. The same mistakes. "Mistakes are OK," some concede, "but don't make the same mistake twice."

Rubbish! I made virtually the same errors, in something as relatively simple as cookie making, over and over ... and over.

Lesson: *Nobody ever did anything (interesting) right the first … or 21st … time.*

6. A sense of humor. I was awkward at the start. (And at the finish.) I turned the kitchen into a disaster area. Kids and adults made their day laughing at me (or so it seemed). Experimentation—the nub of life and business—depends on learning to laugh at yourself.

Lesson: ***Learning is precisely about making a fool of yourself—often in public.***

7. Perseverance. An ability to laugh at yourself and suppress your ego is key—but so is steely-eyed determination. Sure, it was "just" cookie making. But I did want to do it right.

Lesson: ***Winners want to do everything well, no matter how trivial; and that takes focus and unrelenting drive.***

8. Perfectionism. Certainly, the kitchen was a mess. Yes, I was the object of ridicule. But to master one's craft requires nothing less than pain-in-the-butt perfectionism. Most see artists, and creative types in general, as scatterbrained. I'm sure there are scatterbrained artists (and bakers), but their work doesn't end up in museums (or cookbooks). (And: Part of the deal for me: leaving the kitchen … SPARKLING.)

Lesson: ***Creativity and perfectionism are essential handmaidens.***

9. Ownership. It was made clear to me: I was responsible for the Christmas Eve dinner cookies. There were no backups available—and a long ginger-cookie tradition hung on my frail (i.e., incompetent) shoulders. The monkey was ensconced squarely on my back. So I did the job.

Lesson A: ***No ownership, no passion.***
Lesson B: ***No passion, no perseverance.***
Lesson C: ***There is no half ownership.***

10. Accountability. When I'd helped with some previous cookie making (the day before), I'd screwed up the baking time twice. Now I was on my own. That should have made things more difficult. But, to the contrary, I was so attuned to the task that I didn't come close to blowing it.

Lesson: ***Until you're engaged in all aspects of a job, you don't fully engage.***

11. Taste. OK, I'll brag: I made good cookies. Greatness takes practice—and exquisite taste. I may or may not practice more, but I doubt I'll ever become to baking what Tom Clancy is to techno-thrillers.

Lesson: ***If we want great products, we have to find, attract, and retain great creators. Period.***

XXVI. Criticism, (Severe) Limits Thereto

Remember: ***Criticism poorly given rarely leads to correction. It leads to evasion—avoiding the task in the future.***

Joel Heffner: "Coaching is like walking on eggs; any dope can criticize."

Try Ed Schein's book *Helping: How to Offer, Give, and Receive Help.*

Helping is far more delicate than neurosurgery!

Vala Afshar: "Most people will do better work and put greater effort under a spirit of approval than under a spirit of criticism."

Wendy Maynard: "Positivity goes a long way, as does asking people what they think went well."

Wendy Maynard: "There's just been too much emphasis in management about 'constructive criticism'; it can easily be abused."

Rich McDonald: "Why many bosses stink—they watch too many military movies and forget that in-your-face degrading remarks never work for anyone."

Wendy Maynard: ***"Most people were criticized unfairly as kids. As managers, they simply repeat the bad patterns."***

XXVII. Excellence

Remember (per me): Excellence is not an "aspiration." Excellence is the next five minutes. Or not.

John Miller: "You are only 5 minutes max away from Excellence."

Excellence is not about "increasing market share."

Excellence is your next email or IM or 30-second chance meeting in the hall.

If you are a big cheese, Excellence that translates into $$$ is about your interactions during the elevator ride to the top floor.

If ever there were a day for Excellence via MBWA, it's tomorrow [12/31/13].

Remember, Excellence is the work that gets done on the real or metaphorical "lower floors." Camp out there this week.

Excellence is NOT a "goal."

Excellence IS a way of life.

Or not.

Excellence is NOT an institutional choice.

Excellence IS a personal choice.

Or not.

Excellence is NOT an "aspiration."

Excellence IS the next 5 minutes.

Or not.

Excellence is not an "aspiration." Excellence is the next five minutes. (Or not.)

EXCELLENCE is not an "aspiration."
EXCELLENCE is … THE NEXT FIVE MINUTES.

EXCELLENCE is your next conversation.
Or not.
EXCELLENCE is your next meeting.
Or not.
EXCELLENCE is shutting up and listening—really listening.
Or not.
EXCELLENCE is your next customer contact.
Or not.
EXCELLENCE is saying "Thank you" for something "small."
Or not.
EXCELLENCE is the next time you shoulder responsibility and apologize.
Or not.
EXCELLENCE is waaay over-reacting to a screw-up.
Or not.
EXCELLENCE is the flowers you brought to work today.
Or not.
EXCELLENCE is lending a hand to an "outsider" who's fallen behind schedule.
Or not.
EXCELLENCE is bothering to learn the way folks in finance (or IS or HR) think.
Or not.
EXCELLENCE is waaay "over"-preparing for a 3-minute presentation.
Or not.
EXCELLENCE is turning "insignificant" tasks into models of … EXCELLENCE.
Or not

Q: ***“Mr. Watson*** **[legendary IBM CEOCEO],** ***how long does it take to become excellent?”***

A: ***“<u>One minute</u>. That is how long it takes you to decide to never again accept anything less than excellence from yourself.”***

“Excellence …
can be obtained if you:

… <u>care</u> more than others think is wise;
… <u>risk</u> more than others think is safe;
… <u>dream</u> more than others think is practical;
… <u>expect</u> more than others think is possible.”

Source: posted @ tompeters.com by K.Sriram

The "19 Es" of EXCELLENCE

Enthusiasm! **(Be an irresistible force of nature! *Be fire! Light fires!*)**

Exuberance! **(*Vibrate*—cause earthquakes!)**

Execution! **(Do it! Now! Get it done! Barriers are baloney! Excuses are for wimps! Accountability is gospel! Adhere to coach Bill Parcells' doctrine: *"Blame no one!! Expect nothing!! Do something!!"*)**

Empowerment! **(Respect! Appreciation! Ask until you're blue in the face, *"What do you think?"* Then: Listen! Liberate! 100.00% innovators!)**

Edginess! **(Perpetually dance at the frontier and a little, or a lot, beyond.)**

Enraged! **(Maintain a permanent state of mortal combat with the status-quo!)**

Engaged! **(Addicted to MBWA/Managing By Wandering Around. *In touch. Always.*)**

Electronic! **(Partner with the whole wide world 60/60/24/7 via all manner of electronic community building and entanglement. *Crowdsourcing wins!*)**

Encompassing! **(Relentlessly pursue diversity of every flavor! Diversity per se generates big returns!) (Seeking superb leaders: *Women rule!*)**

Emotion! **(The alpha! The omega! The essence of leadership! The essence of sales! The essence of design! The essence of life itself! Acknowledge it! Use it!)**

Empathy! **(*Connect! Connect! Connect!* Click with others' reality and aspirations! "Walk in the other person's shoes"—until the soles have holes!)**

Ears! **(Effective listening in every encounter: *Strategic Advantage No. 1!* Believe it!)**

Experience! **(Life is theater! *It's always showtime!* Make every contact a "Wow"! Standard: "Insanely Great"/Steve Jobs; "Radically Thrilling"/BMW.)**

Eliminate! **(Keep it simple!! Furiously battle hyper-complexity and gobbledygook!!)**

Errorprone! **(Ready! Fire! Aim! Try a lot of stuff, make a lot of boo-boos. CELEBRATE the boo-boos! Try more stuff, make more boo-boos! He who makes the most mistakes wins! *Fail! Forward! Fast!*)**

Evenhanded! **(Straight as an arrow! *Fair to a fault!* Honest as Abe!)**

Expectations! **(Michelangelo: *"The greatest danger for most of us is not that our aim is too high and we miss it, but that it is too low and we hit it."*)**

Eudaimonia! **(The essence of Aristotelian philosophy: True happiness is pursuit of the highest of human moral purpose. *Be of service! Always!*)**

EXCELLENCE! **(The only standard! Never an exception! *Start NOW!* No excuses!)**

***In Search of Excellence* in SIX Words:**

Hard is soft.
Soft is hard.*

***The "hard" numbers and the plans are the true "soft stuff." The "soft" relationships and commitment to Excellence and integrity-in-all-we-do are the true "hard stuff."**

Excellence!
Now!
More Than Ever!

Excellence is the best defense.
Excellence is the best offense.
Excellence is the answer in good times.
Excellence is the answer in tough times.
Excellence is about the big things.
Excellence is about the little things.
Excellence is a design “good enough to lick”/S. Jobs.
Excellence is a relationship.
Excellence is a philosophy.
Excellence is an aspiration.
Excellence is immoderate.
Excellence is a pragmatic standard.
Excellence is execution.
Excellence is selfish.
Excellence is selfless.
Excellence keeps you awake.
Excellence lets you sleep well.
Excellence is a moving target.
Excellence knows no bounds.

The 30-Minute Speech: EXCELLENCE

(Taken from 5X7 note cards)

1. People first, second, third, fourth … (!!!!!!!!!!!!!!!)
1A. Customer 2nd/*If you want to best serve the customer, then you must first serve those who serve the customer!*
1B. Acknowledgement/Respect/Appreciation.
1C. No bit players!
1D. First-line supervisors-as-superstars/#1 reason people leave.
1E. Weird folks for weird times/ZERO "normals" in a history book.
1F. Memories That Matter: The people you developed.

2. Organizations Exist to Serve. PERIOD.

3. EXECUTE/ "Don't forget to tuck the shower curtain into the bath tub"/ Conrad Hilton's success secret #1; Fred Malek *"Execution is strategy."*
3A. Resilience!

4. MBWA/Managing By Wandering Around/You = Calendar
4A. LISTENING as profession/Doc interrupts after 18 seconds—how about you?
4B. MBWA12. "What do you think?"/"How can I help?"/"What have you learned?"
4C. Hang out/"You ARE what you eat."/"You ARE who you hang out with."
4D. #1 trait successful managers/Do … ONE thing at a time/Drucker.
4E. K = R = P *(Kindness = Repeat business = Profit.)*
4F. Apology Power!/3-minute calls save the day & busted relationships

5. "Little BIG Things"/Walmart big cart boosts appliance sales 50%!
5A. On topic of "little," Mittelstand Rules/SMEs rule all economies/ "Be the best. It's the only market that's not crowded."

6. Design RULES: Apple > Exxon in market cap … courtesy DESIGN.

7. "Social business"/"Everyone is part of our world."

8. Value added/IBM/UPS/MasterCard"/"Geek squad"—BestBuy

9. My #1 "finding"/50 years//WTTMSW/Whoever Tries The Most Stuff Wins.
9A. Try a lot, fail a lot/"Celebrate losses."/*"Fail. Forward. Fast."*

10. WOW!/"Insanely great"/"Radically thrilling"/Go for broke!

11. EXCELLENCE Always. If not EXCELLENCE, What? If not EXCELLENCE Now, When? EXCELLENCE not aspiration, but what you do (or DON'T do) in the next 5 minutes.

EXCELLENCE. In TWO Pages.

1. People first, second, third, fourth … /The "business" of leaders is people: to inspire/engage/provide a trajectory of opportunity—enterprise of every size and type as "cathedral" for human development. *"When I hire someone, that's when I go to work for them."*—John DiJulius

1A. Customer comes 2nd/ *If you want to best "Wow!" customers then you must first Wow! those who serve the customers./"If you want staff to give great service, give great service to staff."*—Ari Weinzweig, Zingerman's/*"You have to treat your employees like customers."*—Herb Kelleher, on his #1 "secret to success."

1B. Manager's sole raison d'etre: *Make each of my team members successful!*

1C. Effective organizations: *No bit players!*

1D. Appreciation. Acknowledgement. *"The deepest human need is the need to be appreciated."*—Believe it! *A few kind words are often remembered for years!*

1E. First-line supervisors. Every organization's … *most important* … leadership cadre. Productivity is largely determined by the caliber of the first-line boss. Selection and development of your "sergeants" must become an "obsession"—almost all do a half-assed job.

1F. Weird/There are no "*normals*" in the history books!/Insure a healthy supply of oddballs/ Diversity of *every* flavor = Fresh perspectives! Better decisions!

1G. Memories That Matter. And don't./"People stuff" sticks with you: You'll look back on the handful of people you developed who proceeded to change the world—and the multitude (if you've earned it) who say, *"I grew most when I worked with you." Ever seen a tombstone engraved with the deceased's net worth?*

2. You/me: Businesses no longer coddle. You're in charge!/ "Brand you"—stand out for something valuable, or else; learn something new every day, or else!/*"Distinct or Extinct!"*

3. Organizations Exist to Serve. PERIOD.

4. EXECUTION/"*Don't forget to tuck the shower curtain into the bath tub.*"—Conrad Hilton on his "sweat the details" obsession and #1 "success secret"/*"Execution is strategy."* —Fred Malek/ *"Execution is the leader's job #1."*—Larry Bossidy

4A. "They do … ONE BIG THING at a time."—Drucker on successful managers' #1 trait.

4B. Resilience circa 2011: Understand it. Hire for it. Promote for it. Obsess on it.

5. MBWA/Managing By Wandering Around/Starbucks' Schultz visits 25 stores a week/ "In touch" is "not optional"/You = Your calendar/*Calendars never lie!*

5A. Listening per se = Candidate for Core Value #1/Listening per se is a *profession./*"If you don't listen, you don't sell anything."/Docs interrupt patients after … *18 seconds*. And you?

5B. "What do you think?" "How can I help?"—MBWA 8/Eight words, repeated like a mantra while "wandering around," that unlock engagement/success for multitudes.

5C. Innovate by "Hanging out."/"You are what you eat."/*"You will become like the five people you associate with the most—a blessing or a curse." Want "cool"? Expose yourself to cool!*/Manage "hanging out" zealously-formally—with customers, interesting outsiders, etc.

5D. K = R = P *(Kindness = Repeat business = Profit.) "Hard is soft. Soft is hard."*— #1 finding *In Search of Excellence.* Kindness is "hard"—and payoff in $$$$.

5E. Apology Power—Awesome power: 3-minute *"I'm sorry"* call heals anything—do it religiously!/"Over-the-top" response to even small boo-boo *strengthens* customer relationships!

6. "Little BIG Things"/Focus on "multipliers": Walmart goes to big shopping cart = +50% "big stuff" sales boost!/*"Wash your Hands"*—save thousands of lives per annum in hospitals!

6A. "Little BIG Things": SMEs bedrock of all economies. Nurture them. SME's battle cry per George Whalin: *"Be the best. It's the only market that's not crowded."*

7. Apple > Exxon in market cap courtesy … DESIGN!/The big "Duh": *"Cool beats un-cool!"*/ Design is candidate for "best way to differentiate goods-services in competitive markets."

7A. TGRs/Things Gone Right. Wagon Wheel restaurant, Gill MA—*clean restroom with fresh flowers*—we remember such touches more or less forever/Manage-measure TGRs.

7B. Scintillating Experiences. Howard Schultz on Starbucks: *"At our core, we're a coffee company, but the opportunity we have to extend the brand is beyond coffee; it's entertainment."*

8. WOMEN Buy! WOMEN Rule! WOMEN's World! Women buy 80% of everything—*$28T* world market/*"Why Warren Buffett Invests Like a Girl"*—e.g., studies harder-holds longer-less frenzied buying and selling/Women's leadership style fits 21st century less-hierarchical enterprise/Evidence is clear—*Women well on the way to 21st century economic domination!* Brazil's President Dilma Rousseff at UN: *"the century of women."*

9. Web-Social Media/"Everyone becomes our valued partner, a member of our community—and watchdog"/*The Power of Co-creation*—my "Top Biz Book for 2010"/Social Media can be lynchpin of transformative strategy—for organizations of every shape and size!

10. Value added via transformation from "Customer satisfaction" to " customer success"—huge difference-opportunity!/E.g., IBM Global Services, from afterthought to $60B/UPS Logistics/MasterCard Advisors/IDEO, help clients create "culture of innovation"/ *"The Geek Squad"—BestBuy's #1 strategic point of differentiation.*

11. Innovation "secret" #1: *"Most tries wins."*/*"A Bias for Action"—Excellence* trait #1, *In Search of Excellence /"Ready. Fire! Aim."*—Ross Perot//*"Instead of trying to figure out the best way to do something and sticking to it, just try out an approach and keep fixing it."*—Bert Rutan

11A. Try a lot = Fail a lot /*"Fail. Forward. Fast."/"Fail faster, succeed sooner.*"—David Kelley/*"Reward excellent failures, punish mediocre successes."/Whoever Makes the Most Mistakes Wins*—Richard Farson

11B. *"You miss 100% of the shots you never take."*—Wayne Gretzky

12. Live WOW!/Zappos' creed … "WOW Customers"/eBay 14,000 employees, Amazon 20,000 employees, Craig's List 30 employees; regardless of issue, *Where's your "Wild and Wooly Craig's List Option"?/*Final point in superstar adman Kevin Roberts' Credo: *"Avoid moderation!"*

13. EXCELLENCE is a *personal* choice … *not* an institutional choice!
EXCELLENCE is not an "aspiration"*—it's the next five minutes!*

13A. EXCELLENCE. Always. If not EXCELLENCE, What?
If not EXCELLENCE Now, When?

EXCELLENCE Redux

Five (or Less) Words to the Wise

4 most important words: "What do you think?" ("Most important words in any organization." —Dave Wheeler)

4 most important words: "How can I help?" (Boss as CHRO/ Chief Hurdle Removal Officer.)

2 most important words: "Thank you!" (Appreciation/ Acknowledgement/Recognition.)

2 most important words: "All yours." ("Hands-off" delegation/ Respect/Trust.)

3 most important words: "I'm going out." (MBWA/Managing By Wandering Around/In touch!)

2 most important words: "I'm sorry." (Stunning power of unconditional Apology! Marshall Goldsmith: #1 exec issue.)

5 most important words: "What did you learn today?" (Grow or die.)

5 most important words: "Did you tell the customer?" (Over-communicate.)

2 most important words: "She says …" ("She" is the customer!)

1 most important word: "No." ("To don'ts" > "To dos.")

1 most important word: "One!" ("Best bosses do one big thing at a time."—Drucker)

1 most important word: "Yes." (Anon. quote: ***"The best answer is always 'What the hell.'"***/Wayne Gretzky: ***"You miss 100% of the shots you never take."***)

3 most important words: "Let's do lunch!" ("Social accelerators" = secret to problem/opportunity #1: XFX/ cross-functional Excellence.)

4 most important words: "Thank Susan in accounting." (Readily/ constantly/profusely acknowledge help from other functions.)

2 most important words: "After you." (Courtesy rules.)

3 most important words: "Thanks for coming." (Civility. E.g., boss acknowledges employee for coming to her/his office.)

2 most important words: "Great smile!" (Acknowledge good attitude!)

1 most important word: "Wow!" ("Avoid moderation."—K. Roberts)

1 most important word: "EXCELLENCE!" (Why else bother?)

2 most important words: Excellence. NOW. (The next 5 minutes. Or not.)

ISOE In <140 Characters

In response to a Tweet, I summarized *In Search of Excellence*—and thence the last 30+ years of my professional life—in less than 140 characters.

***In Search of Excellence* basics in 127 characters *including* quotation marks and spaces:**

"Cherish your people. Cuddle your customers. Wander around. 'Try it' beats 'talk about it.' Pursue EXCELLENCE. Tell the truth."

Q.E.D.

Our Credo/A Work in Progress

We are thoughtful in all we do.

We are excellent listeners—to each other and to all members of our extended family (vendors, customers, communities, etc.).

We will make the four words "What do you think?" an automatic instinct in all of our internal and external dealings; moreover, "What do you think?" will precede the explication of our own view in 99 out of 100 instances.

We are dedicated to and measure our success to a significant degree by our unwavering commitment to the extreme personal growth of every one of our employees.

We will only be "delighted" with our managers if their employees are universally surprised by the level of their personal and professional growth.

We will be clear that we view leadership at every level as a sacred trust—and that leaders are indeed the servants of their employees just as the effective classroom teacher is servant to the lives and growth of her or his students.

We believe in the "inverted organization chart"—with the "leaders" at the "bottom" of a reverse pyramid.

We will construct leaders' incentive schemes so that measurable progress in human development is weighed as highly as marketplace success.

We will be a leader in research and development in every aspect of our business—and we will work primarily with vendors who are also fanatical about research and development; and work to attract a set of core customers willing to play at the edge of things and become our co-developers.

We will aim to make our customer engagements adventures beyond the comfort zone, or adventures in growth to use a less intimidating phrase—we will aim to add value in novel ways that surprise and stretch our customers and ourselves.

We will use the three words "Try it! Now!" almost as often as "What do you think?"

We revere the experimental method, and believe success is mostly correlated with the number of things one tries.

We wholeheartedly acknowledge the value of analysis, but in the end swear by "Actions speak louder than words."

We "encourage" failures; that is we acknowledge that a near-religious devotion to "Try it! Now!" necessarily invites the failures that are part and parcel of trying new things.

We will in fact look askance at those whose records include few or no failures—such a spotless record suggests an unwillingness to brave the unknown.

We will, to summarize the last few items, all view ourselves as explorers-adventurers, proceeding toward individual and collective growth by actively engaging at the edge of things; we unstintingly believe that our customers will reap enormous value from our commitment to our constant, restless exploration.

We will encourage and insist upon constant and vociferous disagreement, but be absolutely intolerant of disagreement in the form of personal attacks.

We will cut "overhead" to zero—every "department" shall aim to be best-in-class in its arena, and hence a full-scale participant in our concerted effort to add value in all we do.

We will exude integrity, individually and collectively.

We will exemplify the word transparency in all of our internal and external dealings—and bend over backwards to give new meaning and breadth to the term "information sharing."

We will individually and collectively accept blame for our mistakes, or even our rather minor contribution to others' mistakes—and apologize accordingly and with dispatch.

We will bring to bear overwhelming and instant and collective force to redress any customer problem, real or imagined.

We will under no circumstance badmouth a competitor.

We will aim to turn every customer contact into a memorable experience, remembering that all of life is indeed a stage.

We honor the word "design" in all we do, in every nook and every cranny of our organization; every system, every web page, every customer invoice, every employee restroom is part of our purposefully designed "signature," and stand out and exude exceptionalism in one way or another.

We understand that difficult decisions must be made, but we will bend over backwards to implement such decisions with kindness and grace—the dignity of the individual will always be foremost in our mind.

We will not intrude into our employees' lives, but we are committed to aggressively helping employees achieve a healthy lifestyle.

We will master the art of appreciation and be profuse in our use of the words "thank you" to honor assistance of even the most minor sort.

We will acknowledge through celebration even small successes—and always cast a wide net in our "thank yous" to include bit players, especially from other functions.

We aim for others to always be surprised by our "vibrancy" and "vitality"—we view enthusiasm as the key to success in anything, and take particular care in leader selection to ensure that every one of our leaders is a "remarkable" "carrier" of enthusiasm through thick and, especially, thin.

We will drop whatever we are doing and rush to the aid of those involved in tight-deadline activities—even if those involved caused some of their own problems.

We will be careful in our planning, but also understand that nothing ever unfolds as planned—hence we will be known for our ability to muster resources in an instant, without fuss and from everywhere, to deal with the unexpected; participating in these ad hoc response activities will not be seen as a distraction from our "real work," but as a significant part of our "real work" and an opportunity to contribute to others and build our own skills in ways we might not have imagined.

We fully acknowledge that other units-departments-functions have other points of view than ours, but we will bend over backwards to develop social connections with those in other functions so that dealings over warring perspectives are dealings among friends.

We acknowledge that agreed upon deadlines are holy writ, and will attempt to balance requisite urgency and requisite realism in all of our commitments.

We will fight tooth and nail to minimize the complexity that "necessarily" comes with growth and the mere passage of time.

We will declare total war on our own systems to insure that they do not strangle us.

We gladly acknowledge that anyone in the organization has the duty as well as the right to challenge anyone else when he or she believes they have a valid and useful perspective to offer—this is particularly true regarding any issue that has to do with safety, quality or meeting agreed upon deadlines; such challenges may be firm but not rude.

We will be civil in all our dealings with one another.

We will bend over backwards to bring truly (not superficially) diverse views of every stripe imaginable to bear on plans and decisions of all sorts.

We will pursue "diversity" in part so that the composition of our workforce and leadership from top to bottom is a "pretty good" reflection of the demographics of the markets we serve or aim to serve.

We will use new technology tools to extend the definition of "our family" to every corner of the globe—we will welcome ideas and participation in our affairs from anyone and everyone.

We will aim for gender balance in all we do and from tippy top to bottom—for reasons commercial more than reasons moral.

We will never, in any way, compromise on the quality of our products or services—regardless of difficulties in our marketplace and economy.

We wholeheartedly acknowledge that in the short term (as well, obviously, as the long term) we must be profitable and exhibit stellar financial performance that is consistent with the audacious efforts to serve our people and our clients as described above.

We aim to be seen by others as "conservative" in our financial practices.

We shall talk about EXCELLENCE constantly.

We shall unfailingly aim for EXCELLENCE in all we do.

We shall use EXCELLENCE as the principal benchmark in the assessment of ourselves and our work and our community.

We shall never forget that the bedrock of EXCELLENCE is the unwavering commitment to growth of 100% of our employees—and in fact all of those we come in contact with.

XXVIII. Organizations Exist to Serve: Why Else Get Out of Bed in the Morning?

Organizations exist to serve. Period.
Leaders live to serve. Period.

Passionate servant leaders, determined to create a legacy of earthshaking transformation in their domain (a 600SF retail space, a 4-person training department, an urban school, a rural school, a city, a nation), create/must *necessarily* create organizations which are no less than "cathedrals" in which the full and awesome power of the Imagination and Spirit and native Entrepreneurial flair ("We are *all* entrepreneurs."—Muhammad Yunus) of diverse individuals (100% creative Talent—from checkout to lab, from Apple to Wegmans to Jane's one-person accountancy in Invercargill, NZ) is unleashed in passionate pursuit of jointly perceived soaring purpose (= win a Nobel peace prize like Yunus, or at least do something worthy of bragging about 25 years from now to your grandkids) and personal and client service Excellence.

Such Talent unbound pursue Quests—rapidly and relentlessly experimenting and failing and trying again—which surprise and surpass and redefine the expectations of the individual and the servant leader alike. The collective "products" of these Quests offer the best chance of achieving rapid organizational and individual adaptation to fast-transforming environments, and provide the nutrition for continuing (and sometimes dramatic) re-imaginings which re-draw the boundaries of industries and communities and human achievement and the very conception of what is possible.

In turn, such organizations, bent upon excellence and re-imaginings based on maximizing human creativity and achievement, will *automatically* create cadres of imaginative and inspiring and determined servant leaders who stick around to take the organization to another level, and then another—or, equally or *more* important, leave to spread the virus of Freedom-Creativity-Excellence-Transforming Purpose by pathfinding new streets, highways, and alleyways which vitalize and revitalize, through creative destruction, Entrepreneurial Capitalism, which is the best hope for maximizing collective human Freedom, Happiness, Prosperity, Wellbeing—and, one prays, some measure of Peace on Earth.

Oath of Office: Managers/Servant Leaders

Our goal is to serve our customers brilliantly and profitably over the long haul.

Serving our customers brilliantly and profitably over the long haul is a product of brilliantly serving, over the long haul, the people who serve the customer.

Hence, our job as leaders—the alpha and the omega and everything in between—is abetting the sustained growth and success and engagement and enthusiasm and commitment to Excellence of those, one at a time, who directly or indirectly serve the ultimate customer.

We—leaders of every stripe—are in the "Human Growth and Development and Success and Aspiration to Excellence business." "We" (leaders) only grow when "they" (each and every one of our colleagues) are growing.

"We" (leaders) only succeed when "they" (each and every one of our colleagues) are succeeding.

"We" (leaders) only energetically march toward Excellence when "they" (each and every one of our colleagues) are energetically marching toward Excellence.

Period.

Organizations exist to serve. PERIOD.

Leaders live to serve. PERIOD.

Business and Human Well-being: Joined at the Hip?

Just discovered Mihaly Csikszentmihalyi's book … *Good Business*. Business has become center of society. As such, an obligation to community is front & center. Business, per Csikszentmihalyi, as societal bedrock, has …

RESPONSIBILITY

to increase # "SUM OF HUMAN WELL-BEING."

(A mouthful!!!)

Business is NOT "part of the community." In terms of how adults collectively spend waking hours … business IS the community. Should act accordingly.

Business is … statistically … responsible for the livelihood of the great majority of adults in any given community. That's a rather big deal.

Community obligations are similar for … all flavors of business … tiny to grand, private or public.

The (REALLY) good news:

Community mindedness is a great way (the BEST way?) to have spirited/committed/ customer-centric work force—and, ultimately, increase (maximize?) profitability!

Problems Revealed:
Run Up to the Great Recession,
When Is Enough … ENOUGH?

"At a party given by a billionaire on Shelter Island, Kurt Vonnegut informs his pal, Joseph Heller that their host, a hedge fund manager, had made more money in a single day than Heller had earned from his wildly popular novel* Catch-22 *over its whole history. Heller responds … Yes, but I have something he will never have …

enough."

—John Bogle, *Enough. The Measures of Money, Business, and Life*
(Bogle is founder of the Vanguard Mutual Fund Group)

“Too Much Cost,
Not Enough Value”
“Too Much Speculation,
Not Enough Investment”
“Too Much Complexity,
Not Enough Simplicity”
“Too Much Counting,
Not Enough Trust”
“Too Much Business Conduct,
Not Enough Professional Conduct”
“Too Much Salesmanship,
Not Enough Stewardship”
“Too Much Focus on Things,
Not Enough Focus on Commitment”
“Too Many Twenty-first Century Values,
Not Enough Eighteenth-Century Values”
“Too Much ‘Success,’
Not Enough Character”

Chapter titles: John Bogle, *Enough.* *The Measures of Money, Business, and Life*

XXIX. The Shareholder Value Myth

"The notion that corporate law requires directors, executives, and employees to maximize shareholder wealth simply isn't true. There is no solid legal support for the claim that directors and executives in U.S. public corporations have an enforceable legal duty to maximize shareholder wealth. The idea is fable."

—Lynn Stout, ***The Shareholder Value Myth: How Putting Shareholders First Harms Investors, Corporations, and the Public***

"Courts uniformly refuse to actually impose sanctions on directors or executives for failing to pursue one purpose over another. In particular, courts refuse to hold directors of public corporations legally accountable for failing to maximize shareholder wealth." **—Lynn Stout,** ***The Shareholder Value Myth: How Putting Shareholders First Harms Investors, Corporations, and the Public***

"From a legal perspective, shareholders do not, and cannot, own corporations. Corporations are independent legal entities that own themselves, just as human beings own themselves. … Shareholders own shares of stock. A share of stock is simply a contract between the shareholder and the corporation, a contract that gives the shareholder very limited rights under limited circumstances. In this sense, stockholders are no different from bondholders, suppliers, and employees. All have contractual relationships with the corporate entity. None 'owns' the company itself." **—Lynn Stout,** ***The Shareholder Value Myth: How Putting Shareholders First Harms Investors, Corporations, and the Public***

"Courts uniformly refuse to actually impose sanctions on directors or executives for failing to pursue one purpose over another. In particular, courts refuse to hold directors of public corporations legally accountable for failing to maximize shareholder wealth."*—Lynn Stout, *The Shareholder Value Myth: How Putting Shareholders First Harms Investors, Corporations, and the Public

"[A corporation] *can be formed to conduct or promote any lawful business or purpose."*

—from Delaware corporate code (no mandate for shareholder primacy), per Lynn Stout, *The Shareholder Value Myth: How Putting Shareholders First Harms Investors, Corporations, and the Public*

"What about shareholders' rights to sue corporate officers and directors for breach of fiduciary duty if they fail to maximize shareholder wealth? Such a right turns out to be illusory. Executives and directors' duty of loyalty to the corporation bars them from using their corporate positions to enrich themselves at the firm's expense, but unconflicted directors remain legally free to pursue almost any other goal."
—Lynn Stout, *The Shareholder Value Myth: How Putting Shareholders First Harms Investors, Corporations, and the Public*

"On the face of it, shareholder value is the dumbest idea in the world. Shareholder value is a result, not a strategy. … Your main concerns are your employees, your customers, and your products."

—Jack Welch (Yes, THAT Jack Welch, long-time primo vociferous promoter of shareholder primacy/*FT*, 0313.09/p. 1.)

"I told my board that if they want to get the share price up 50% in 12-18 months, I can do it without raising a sweat. But it will destroy the long-term prospects of the company—and they'll have to do it without me."

—CEO, large ($10B+) electronic components company

XXX. People (REALLY) First

EXCELLENT
customer experience
depends … *entirely* … on
EXCELLENT
employee experience!

If you want to WOW your customers, FIRST you must WOW those who WOW the customers!

(PLEASE. PLEASE. PLEASE. RE-READ THE PRIOR PAGE. AND REFLECT.)

David Spellman: ***"Customers will only love a company that loves its employees."***

BCMac: ***"My corollary is, 'How we treat one another is ultimately how we treat the clients.'"***

Mark Sanborn: ***"Employees who don't feel significant rarely make significant contributions."***

Vala Afshar: ***"I've always said 'You can't remain a great company on the outside if you aren't one on the inside.'"***

(PLEASE. PLEASE. PLEASE. Tell me why this is so f-ing hard to understand?)

"Business has to give people enriching, rewarding lives … or it's simply not worth doing." **—Richard Branson (FYI: my #1 favorite quote)**

"You have to treat your employees like customers."
—Herb Kelleher, upon being asked his "secret to success"

"If you want staff to give great service, give great service to staff." **—Ari Weinzweig, Zingerman's**

“When I hire someone, that’s when I go to work for them.” **—John DiJulius,** ***What’s the Secret to Providing a World-class Customer Experience***

“An organization can only become the-best-version-of-itself to the extent that the people who drive that organization are striving to become better-versions-of-themselves.” ***“A company’s purpose is to become the-best-version-of-itself. The question is: What is an employee’s purpose? Most would say, ‘to help the company achieve its purpose’—but they would be wrong. That is certainly part of the employee’s role, but an employee’s primary purpose is to become the-best-version of-himself or –herself. …***

“When a company forgets that it exists to serve customers, it quickly goes out of business. Our employees are our first customers, and our most important customers.”
—Matthew Kelly, ***The Dream Manager***

"The path to a hostmanship culture paradoxically does not go through the guest. In fact it wouldn't be totally wrong to say that the guest has nothing to do with it. True hostmanship leaders focus on their employees. What drives exceptionalism is finding the right people and getting them to love their work and see it as a passion. ... The guest comes into the picture only when you are ready to ask, 'Would you prefer to stay at a hotel where the staff love their work or where management has made customers its highest priority?'" "We went through the hotel and made a ... 'consideration renovation.' Instead of redoing bathrooms, dining rooms, and guest rooms, we gave employees new uniforms, bought flowers and fruit, and changed colors. Our focus was totally on the staff. They were the ones we wanted to make happy. We wanted them to wake up every morning excited about a new day at work."—**Jan Gunnarsson and Olle Blohm,** ***Hostmanship: The Art of Making People Feel Welcome.***

HALT. This is a PROFOUND question:

"Would you prefer to stay at a hotel … where the staff love their work or where management has made customers its highest priority?"

Please ponder this, examine it with colleagues, etc. PLEASE!

“We are a ‘Life Success’ Company.”

—Dave Liniger, founder, RE/MAX (*“The organization would ultimately win not because it gave agents more money, but because it gave them a chance for better lives.”*—Phil Harkins & Keith Hollihan, *Everybody Wins,* the story of RE/MAX)

“Some of our people spend their entire working lives in our agency. We do our damnedest to make it a happy experience. I put this first, believing that superior service to our clients, and profits for our stockholders, depend on it.”

—David Ogilvy, on Ogilvy & Mather’s corporate culture

"No matter what the situation, [the great manager's] first response is always to think about the individual concerned and how things can be arranged to help that individual experience success."

—Marcus Buckingham, ***The One Thing You Need to Know***

"The key difference between checkers and chess is that in checkers the pieces all move the same way, whereas in chess all the pieces move differently. … Discover what is unique about each person and capitalize on it." **—Marcus Buckingham**

"I can't tell you how many times we passed up hotshots for guys we thought were better people and watched our guys do a lot better than the big names, not just in the classroom, but on the field—and, naturally, after they graduated, too. Again and again, the blue chips faded out, and our little up-and-comers clawed their way to all-conference and All-America teams."*—Coach Bo Schembechler (& John Bacon), "Recruit for Character," *Bo's Lasting Lessons

"The one piece of advice which will contribute to making you a better leader, will provide you with greater happiness, and will advance your career more than any other advice … and it doesn't call for a special personality or any certain chemistry … and anyone can do it, and it's this: You must care."

—LTGEN Melvin Zais

***"We are ladies and gentlemen serving ladies and gentlemen."*—Ritz-Carlton Credo (In the hotel business, members of front line staff have historically been treated more like cannon fodder than "ladies and gentlemen":—e.g., turnover >> 100% per annum.)**

“The role of the Director is to create a space where the actors and actresses can become more than they’ve ever been before, more than they’ve dreamed of being.”

—Robert Altman, Oscar acceptance speech

"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 to allow its members to discover their greatness."

—Warren Bennis and Patricia Ward Biederman, *Organizing Genius*

"I have always believed that the purpose of the corporation is to be a blessing to the employees."

—Boyd Clarke, former CEO, The Tom Peters Company

"To be an effective leader, you have to first have a desire and a commitment to helping people."

—Harry Rhoads, Co-founder and CEO, Washington Speakers Bureau

EMPLOYEES FIRST, CUSTOMERS SECOND: Turning Conventional Management Upside Down

—by Vineet Nayar/CEO/HCL Technologies

The Customer Comes Second: Put Your People First and Watch 'Em Kick Butt

—by Hal Rosenbluth (former CEO, Rosenbluth International) and Diane McFerrin Peters

From the *New York Times*/01.05.14, courtesy Adam Davidson, *Planet Money*/NPR:

"Contrary to conventional corporate thinking, treating retail workers much better may make everyone (including their employers) much richer."* **

****<u>Duh</u>!***

****Cited in particular, "The Good Jobs Strategy," by M.I.T. professor Zeynep Ton.**

*****e.g.: The following RETAILERS are among those on the 100 Best Companies to Work For In America (*Fortune*) list …**

Wegmans (was #1 in USA)

Container Store (was #1 in USA)

Whole Foods

Costco

Publix

Darden Restaurants

Build-A-Bear Workshops

Starbucks

Oath of Office: Managers/Servant Leaders

Our goal is to serve our customers brilliantly and profitably over the long haul.
Serving our customers brilliantly and profitably over the long haul is a product of brilliantly serving, over the long haul, the people who serve the customer.

Hence, our job as leaders—the alpha and the omega and everything in between—is abetting the sustained growth and successand engagement and enthusiasm and commitment to Excellence of those, one at a time, who directly or indirectly serve the ultimate customer.

We—leaders of every stripe—are in the "Human Growth and Development and Success and Aspiration to Excellence business."
"We" (leaders) only grow when "they" (each and every one of our colleagues) are growing.
"We" (leaders) only succeed when "they" (each and every one of our colleagues) are succeeding.
"We" (leaders) only energetically march toward Excellence when "they" (each and every one of our colleagues) are energetically marching toward Excellence.
Period.

TJP/TIB* #1: ***Your principal moral obligation as a leader is to develop the skillset, "soft" and "hard," of every one of the people in your charge (temporary as well as semi-permanent) to the maximum extent of your abilities. The good news: This is also the #1 mid- to long-term … profit maximization strategy!***

***This I Believe (The "TIB List" idea courtesy architect Bill Caudill.)**

Imagine looking back 5 years from now on the prior 5 years: What will you be able to say *(in exacting detail)* about your … PEOPLE DEVELOPMENT SCORECARD?*

***It's the "people development stuff" you'll remember most—and assess yourself on most—when you look back, at age 70, on your career as a leader: "I gave Ellen Smith the boost that launched her magnificent career." (Etc.)**

FYI:

Your LEGACY = TWO Promotion Decisions/Year* **

On average, a senior manager makes two important promotion decisions/year.

****A top promotion decision, given its lasting impact, deserves as much care as an acquisition decision!***

(They are, de facto, the same thing.)

Excellent organizations: **CATHEDRALS IN WHICH THE FULL AND AWESOME POWER OF THE IMAGINATION AND SPIRIT AND NATIVE ENTREPRENEURIAL FLAIR OF DIVERSE INDIVIDUALS IS UNLEASHED IN PASSIONATE PURSUIT OF … EXCELLENCE.**

"I start with the premise that the function of leadership is to produce more leaders, not more followers."
—Ralph Nader

WPP: Our Mission*

TO DEVELOP AND MANAGE TALENT;
TO APPLY THAT TALENT,
THROUGHOUT THE WORLD,
FOR THE BENEFIT OF CLIENTS;
TO DO SO IN PARTNERSHIP;
TO DO SO WITH PROFIT.

***STARTS with/emerges from TALENT. Profit is important but …**

DERIVATIVE!

7 Steps to Sustaining Success*

You take care of the people.
The people take care of the service.
The service takes care of the customer.
The customer takes care of the profit.
The profit takes care of the re-investment.
The re-investment takes care of the re-invention.
The re-invention takes care of the future.
(And at every step the only measure is EXCELLENCE.)

To underscore the obvious, it all starts with:** ***"You …

take care of the people!

"In a world where customers wake up every morning asking, 'What's new, what's different, what's amazing?' success depends on a company's ability to unleash initiative, imagination, and passion of employees at all levels—and this can only happen if all those folks are connected heart and soul to their work [their 'calling'], their company and their mission."*—John Mackey and Raj Sisoda, *Conscious Capitalism: Liberating the Heroic Spirit of Business

***"Leadership is a gift. It's given by those who follow. You have to be worthy of it."*—General Mark Welsh, Commander, U.S. Air Forces Europe**

ORGANIZATIONS EXIST TO SERVE.

PERIOD.

LEADERS LIVE TO SERVE.

PERIOD.

Addendum/People (REALLY) First:

15 Point Human Capital Development Manifesto

"Reframing Capitalism": A 15-Point Human Capital Development Manifesto/HCDM at the Enterprise & National Government Level

Tom Peters

14 June 2012

World Strategy Forum

The New Rules: Reframing Capitalism

Seoul, Korea

"Reframing Capitalism": A 15-Point Human Capital Development Manifesto/HCDM at the Enterprise and National Government Level

***"In some sense you can argue that the science fiction scenario is already starting to happen. The computers are in control. We just live in their world."*—Danny Hillis**

***"Human creativity is the ultimate economic resource."*—Richard Florida**

***"Every child is born an artist. The trick is to remain an artist."*—Picasso**

***"Knowledge becomes obsolete incredibly fast. The continuing professional education of adults is the No. 1 industry in the next 30 years."*—Peter Drucker**

***"If you want staff to give great service, give great service to staff."*—Ari Weinzweig**

In mid-June 2012 I spoke at a major event in Seoul, Korea, World Strategy Forum/ The New Rules: Reframing Capitalism. Predictably the discussion focused on global financial infrastructure. To ignore that would have been insanity. On the other hand, I believe that employment/unemployment is even more affected by the changing nature of work—and the wildly accelerating effectiveness of technology, such as artificial intelligence, in encompassing activities that employ tens of millions of people, especially in the OECD nations. I believe this is, in the mid- to long-term, our #1 problem—and #1 opportunity. Confronting the nature and extent of future employment is required for reasons of economic survival and growth—and for reasons of social and political stability. Having created here in a single paragraph the oceanic basis for what follows, I must admit that it was a mundane question (Question #1) in an interview before my speech that triggered this "manifesto." Namely: "Dr. Peters, how would you define the perhaps changing nature of corporate social responsibility in these uncertain times?" Herewith, in effect my response—which, quite honestly, came as a surprise to me:

1. "Corporate social responsibility" starts at home—i.e., inside the enterprise!
MAXIMIZING GDD/Gross Domestic Development of the workforce is the primary source of mid-term and beyond growth and profitability—and maximizes national productivity and wealth. (The profitability axiom: If you want to serve the customer with uniform Excellence, then you must FIRST effectively and faithfully serve those who serve the customer—i.e. our employees, via maximizing tools and professional development.)

2. Regardless of the transient external situation, development of "human capital" is *always* the #1 priority. This is true in general, in particular in difficult times which demand resilience—and uniquely true in this age in which IMAGINATIVE brainwork is *de facto* the only plausible survival strategy for higher wage nations. (Generic "brainwork," traditional and dominant "white-collar activities, is increasingly being performed by exponentially enhanced artificial intelligence. Please see Appendix ONE.)

3. Three-star generals and admirals (and symphony conductors and sports coaches and police chiefs and fire chiefs) OBSESS about training. Why is it an almost dead certainty that in a random 30-minute interview you are unlikely to hear a CEO touch upon this topic? (I would hazard a guess that most CEOs see IT investments as a "strategic necessity," but see training expenses as "a necessary evil.")

4. Proposition/axiom: The CTO/Chief TRAINING Officer is arguably the #1 staff job in the enterprise, at least on a par with, say, the CFO or CIO or head of R&D. (Again, external circumstances—see immediately above—are forcing our hand.)

5. The training budget takes precedence over the capital budget. PERIOD. It's easier and more satisfying to get your picture taken next to a new machine. But how do you get a photo of a new and much improved attitude in a key distribution center? The catch: The odds are 25:1 that the new attitude will add more to the bottom line than will the glorious state-of-the-art machine.

****

In the 3rd quarter of 2011 manufacturing output went up 4.7 percent—one heck of an accomplishment. But there was a catch, and a big one. Gross hours worked in manufacturing went down 0.6 percent. Such ratios are becoming commonplace—and in services as much or more than in manufacturing. As we automate damn near everything and as that trend accelerates (been in an auto plant lately—where are the people?), output is dramatically outstripping labor usage. Great for productivity, borderline terrifying for workers. This "manifesto" is written with such numbers in mind—not only does that not mean that it's neo-Luddite, but in fact the opposite. Timid strategies will not address the employment issue. Education and job content must be turned upside down—in short order.

****

6. Human capital development should routinely sit atop any agenda or document associated with enterprise strategy. Most any initiative you undertake should formally address implications for and contributions to human capital asset development.

7. Every individual on the payroll should have a benchmarked professional growth strategy. Every leader at every level should be evaluated in no small measure on the

collective effectiveness of individual growth strategies—that is, each individual's absolute growth is of direct relevance to every leader's assessed performance.

8. Given that we ceaselessly lament the "leadership deficit," it is imperative, and just plain vanilla common sense, that we maximize the rate of development of women leaders at every level—little if anything has a higher priority. (It is an outrage that this has not been the case until now—and is still not the case in far too many institutions.) (And, while there are no guarantees, women are more likely dispositionally to take a shine to the imperative of maximizing human asset development.)

9. Maximum utilization of and continued development of "older workers" (to age 70—or even beyond?) is a source of immense organizational and national growth and wealth. The rapidly aging population, with oldies far more healthy and vital than ever, ought to be an opportunity rather than a pain-in-the-butt to deal with.

****

I was intimidated by the conference title "Reframing capitalism"—and the fact that a passel of Nobel laureates in economics would be addressing the issue. Then it occurred to me that the mid- to long-term "reframing" was more about recasting the nature of work/jobs in, for example, the face of 2020's artificial intelligence than about whether the Spanish bailout is $100 billion or $400 billion—as nontrivial as the latter is. I.e., what the hell will the world's four billion or so workers be doing, say, 10 years from now? I'm not sure that sophisticated econometric analyses will be all that helpful in determining an answer.

****

10. The practical key to all human asset development activities is the 1st-line manager. ("Sergeants run the Army" is an accurate, commonplace observation—supported by immense development resources.) Hence development of the full cadre of 1st-line managers is an urgent—and invariably underplayed—strategic imperative. Arguably, the collective quality and development trajectory of 1st-line leaders is an organization's #1 human asset development priority. (Consistent with all the above, the 1st-line leader's skill at "people development" is her or his top priority—for which she or he must be rigorously and continually trained.)

11. The national education infrastructure—from kindergarten through continuing adult education—may well be National Priority #1. Moreover, the educational infrastructure must be altered radically to underpin support for the creative jobs that will be more or less the sole basis of future employment and national growth and wealth creation.

12. Associated with the accelerated priority of the national education infrastructure is a dramatically enhanced and appreciated and compensated role for our teachers—this status enhancement must necessarily be accompanied by rigorous accountability. There is no doubt that "teaching" (instilling) insatiable curiosity, say, which is the #1 attribute of a creative person, is no easy task; however, there is no way that it can be ducked if one looks at future definitions of employability.

13. The majority of us work in small enterprises; hence national growth objectives based upon human capital development MUST necessarily extend "downward" to even 1-person enterprises. Collective productivity improvement through human capital development among small businesses has an unimaginably large—and undervalued—payoff. While many small businesses appreciate the notion, they are unprepared to take the steps necessary to engage their, say, dozen employees in seeking quantum leaps in creative work content and productivity improvements.

14. Needless to say, the activities imagined here will only be possible if abetted by a peerless National Information and Communication Infrastructure. Indeed, the work referred to here is being done—and the need is appreciated and reasonably well funded. The effort must not falter; the new information-based tools and accompanying infrastructure are the coin of the realm.

15. Associated with the above is a RADICAL reorientation of leadership education and development—throughout the enterprise/education/continuing education establishment. (E.g., Among other things, the MBA and executive education will require open-heart surgery—aimed at shifting focus from finance and marketing to human resource development.) To deal with the most likely future employment scenarios, leaders will need to be masters of the liberal arts—said arts are, again, the determinant of responding to the emerging world.

The agenda implied by the above "manifesto" is bold—and its moorings are a long way from where we are today. But this or something rather like it falls into a category labeled—not optional.

Addendum: The Mauritius Doctrine

On 16 April 2014, I spoke to 1,300 SME chiefs in Mauritius at a conference organized by The National Productivity and Competitiveness Council, and that included the Vice Prime Minister. I upped the stridency of my tone relative *not* to government actions—but relative to business's *obligation* to develop its work force. Moreover, I asserted this was as true for a 6-person business as for a 6,000-person outfit. Yes … wee companies can (and ought to) become "training/development maniacs."

Honing my new/uncompromising message: Especially in uncertain times which are sapping global employment security, it is the … foremost moral responsibility … of businesses to abet the radical development of their employees.

National productivity improvement is less about a few giants than about incremental efforts by the great mass of small businesses.

My training (and development) message in general is radical. But the truly radical notion is that "training and development maniacs" applies to the 5-person enterprise as much as it does to the giant.

XXXI. Overdoing "Strategy" Per Se/Dealing (in the Real World) With Strategic Disruption

"Amateurs talk about strategy. Professionals talk about logistics."—General Omar Bradley

Great 12/28/13 *Financial Times* book review: *Britain Against Napoleon: The Organization of Victory*. Chalk up the win as due to superior management/logistics.

Former McKinsey MD to team, on over-emphasizing strategy: *"Don't forget the implementation part, boys. It's that all-important 'last 99%.'"*

Jack Welch on "strategy": "Pick a general direction and then implement like hell."

TP: Could we call it WTFWUT* rather than "strategy"? [*WhatThe F* We're Up To] Strategy is too grand a word for me.**

Glen Taylor: "Like sports—your competitors already know your strategy Success = focus on execution needed to win."

Clay Christensen [and his obsession with disruption] be damned; message for you and me: FIRST, get so frigging good at something that you have reason to worry about being disrupted.

If you spend your life worrying about disruption, you won't have time to get good enough at anything to be disrupted.

“Amateurs talk about strategy. Professionals talk about logistics.”

—General Omar Bradley

Conrad Hilton, at a gala celebrating his career, was called to the podium and asked,
"What were the most important lessons you learned in your long and distinguished career?"

His answer (in full!) …

*"Remember to tuck the shower curtain inside the bathtub."**

***You get 'em <u>in</u> the door with "location, location, location." You keep 'em <u>coming back</u> with the tucked-in shower curtain. (NB: Profit rarely comes from visit/transaction #1; it is a byproduct of coming back/transaction #2, #3, #4 … #44.)**
(FYI: I usually start ALL my presentations with Mr. Hilton and the shower curtain—and the abiding centrality of execution.)

"In real life, strategy is actually very straightforward. Pick a general direction … and implement like hell." **—Jack Welch**

(*"When assessing candidates, the first thing I looked for was energy and enthusiasm for execution. Does she talk about the thrill of getting things done, the obstacles overcome, the role her people played—or does she keep wandering back to strategy or philosophy?"*—Larry Bossidy)

“Costco figured out the big, simple things … and executed with total fanaticism.”

—Charles Munger, Berkshire Hathaway

XXXII. Only One Can Be the Cheapest

"Only one company can be the cheapest. All others must use ...design."

—Rodney Fitch, Fitch & Co.
(Source: Insights, definitions of design, the Design Council [UK])

Design RULES: APPLE

market cap *surpasses*

that of Exxon Mobil! (August 2011)

Q.E.D. (Even if it doesn't last—it didn't, it's been on and off—it is an irrevocable—STAGGERING—demonstration of DESIGN POWER.)

"With its carefully conceived mix of colors and textures, aromas and music, Starbucks is more indicative of our era than the iMac. ***STARBUCKS is to the Age of Aesthetics what McDonald's was to the Age of Convenience or Ford was to the Age of Mass Production—the touchstone success story, the exemplar of … the aesthetic imperative.*** **… 'Every Starbucks store is carefully designed to enhance the quality of everything the customers see, touch, hear, smell, or taste,' writes CEO Howard Schultz."**

—Virginia Postrel, ***The Substance of Style: How the Rise of Aesthetic Value Is Remaking Commerce, Culture, and Consciousness***

Hypothesis:

DESIGN **is the principal difference between** ***LOVE*** **and** ***HATE***

Design is … ***NEVER NEUTRAL.*** **(It's 99% about emotional response.)**

“You know a design is good when you want to lick it.”

—Steve Jobs (*Design: Intelligence Made Visible*, Stephen Bayley & Terence Conran)

Ann Landers, advice columnist, as management-DESIGN guru/
Three criteria for products, projects, a communication, etc.:

Good.
True.
Helpful.

"Businesspeople don't need to 'understand designers better.' Businesspeople need to <u>be</u> designers."

—Roger Martin/Rotman Mgt School/University of Toronto

Design: The Words We Use:

***"If you can't write your movie idea on the back of a business card, you ain't got a movie."*—Samuel Goldwyn**

***"I make all the launch teams tell me what the magazine's about in five words or less. You can't run alongside millions of consumers and explain what you mean. It forces some discipline on you."*—Ann Moore, CEO, Time Inc., on new mags**

***"If you can't state your position in eight words or less, you don't have a position."* —Seth Godin**

"The difference between the right word and the almost right word is the difference between lightning and the lightning bug."—Mark Twain
(Design truly is ubiquitous—and thinking about it as design per se is paramount.)

Charles Handy on design: ***"One bank is currently claiming to … 'leverage its global footprint to provide effective financial solutions for its customers by providing a gateway to diverse markets.'"***

"I assume that it is just saying that it is there to … 'help its customers wherever they are.'"

Design & Packaging …

Packages … are about containing and labeling and informing and celebrating. They are about power and flattery and trying to win people's trust. They are about beauty and craftsmanship and comfort. They are about color, protection, survival."

–Thomas Hine, *The Total Package*

LABELING
INFORMING
CELEBRATING
POWER
FLATTERY
TRUST
BEAUTY
CRAFTSMANSHIP
COMFORT
COLOR
PROTECTION
SURVIVAL

(Nice.)
(Apply to pretty much everything?)

"Design is <u>everything</u>. Everything is <u>design</u>."

"We are <u>all</u> designers."

Richard Farson, *The Power of Design: A Force for Transforming Everything*
(Farson says I said this; I say Farson said it. Truth: ?)

Kids "Get it" …

***"Designers are people who think with their hearts."*—James, age 10**

***"I would like to be a designer because you could make things that would help people."*—Jade, age 10**

***"If there was no design, there would be nothing to do, and nothing would progress or get better. The world would fall apart."*—Anna, age 11**

***"My favourite design is the Nike 'tick' because it makes me feel confident—even though I am not so good at sports."*—Raoul, age 11**

Source: *Insights*, definitions of Design, the Design Council (UK)

Design is … *treated like a religion* … at BMW.” ***—Fortune***

Design is …

****The reception area***
****The rest rooms!***
****Dialogues at the call center***
****Every electronic (or paper) form***
****Every business process "map"***
****Every email***
****Every meeting agenda/setting/etc.***
****Every square meter of every facility***
****Every new product proposal***
****Every manual***
****Every customer contact***
****A consideration in every promotion decision***
****The presence and ubiquity of an "Aesthetic Sensibility"/ "Design Mindfulness"***
****An encompassing "design review" process***
****Etc.***
****Etc.***

Action*: ***Initiate a … "Design Review"***

(Of … Everything) (TODAY).

***Boss or temp on a 2-day assignment (NO EXAGGERATION: The importance of design … APPLIES EQUALLY … to giant companies and wee/2-person companies and independent contractors—and the "average" employee.)**

Design's Reach: EVERYWHERE*

"Hard" Products.
Services.
Big Businesses.
Small businesses.
Individuals.

***All equal when it comes to the …**
STAGGERING POWER OF DESIGN. Period.

(**Last word:** ***Men*** ***cannot*** ***design for women's tastes/needs*** **!?**)

XXXIIA. Design PLUS: 8/80/TGW/TGR

8/80: Customers describing their service experience as "superior": 8%

Companies describing the service experience they provide as "superior": 80%

(TP: YIKES!)

—Source: Bain & Company survey of 362 companies, reported in John DiJulius, *What's the Secret to Providing a World-class Customer Experience*

CASE #1: It BEGINS (and ENDS) in the …

PARKING LOT*

(*Disney pays hyper-attention to the parking lots. Cleanliness. Signage. Layout. General design details. METICULOUS HIRING AND EXTENSIVE TRAINING AND SUPERB UNIFORMS OF … PARKING LOT STAFF. First and last impressions … RULE!)

Case #2: Commerce Bank*(*Now part of TD Bank):

Branches open SEVEN days a week!

7:30A.M. to 8:00P.M.

(Friday to MIDNIGHT—many customers have payroll checks to cash.)
7:30AM official opening hour = Actually open at 7:15AM.
8:00PM closing hour = 8:15PM actual closing.
2,000,000 = Number of dog biscuits given away last year. Message: We want you—and your pet—INSIDE the branch office.
Etc. (Etc. Etc. …)

Case #3: Carl's Street Sweeper/Dallas Cadillac dealer Carl Sewell …

BUYS A STREET SWEEPER.

The street outside the dealership is the …

FIRST THING

… the customer sees. (Carl "hires" Stanley Marcus/Nieman Marcus to design his showroom—it features gorgeous …

FLORAL DISPLAYS

… rather than cars.

Point: Carl is inviting you, the customer or prospect, not to "buy a nice car," but to …

JOIN THE SEWELL VILLAGE CADILLAC FAMILY.

(B-I-G diff!)

Normal emphasis:

< TGW

(Minimize "Things Gone Wrong"—to be sure, imperative!!!)

Revised emphasis/2014, to deal with the "8%-80% disconnect" in a world where most things work:

> TGR

(MAXIMIZE "Things Gone RIGHT"!)

TGRs.

MANAGE 'EM.

MEASURE 'EM.*

***I use "manage-measure" a lot. Translation: These are not "soft" ideas; they are exceedingly important things that CAN be managed—AND measured.**

(E.g.: How many "TGRs" have you added to a product or service offering in, say, the last 30/60/90 days? BE EXPLICIT/PRECISE.)

"EXPERIENCES are as distinct from services as services are from goods."

—Joe Pine & Jim Gilmore, ***The Experience Economy: Work Is Theatre & Every Business a Stage***

Even in a small enterprise, consider designating a …

CXO.*

***Chief e*X*perience Officer (And *think* like a "CXO" even in a 1-person professional service firm!)**

XXXIIB. Systems Design/Systems That Sing: Passing the "Elegance Test"

Systems are an organization's life blood. PERIOD.
Systems must "work." PERIOD.
Systems must "get the job done." PERIOD.

But in a way that's the least of it—or, more accurately, far less than the whole story.

In mathematics, "solving the conundrum" is arguably less than half the story. The mathematics community INFORMALLY demands that A proof, in order to become part of the canon, be marked by "elegance."

"Elegance." **What a marvelous word. And a word/standard—I firmly believe—by which any and every system should be judged in order to be proclaimed "effective." Using the system, like a Steve Jobs product, should be a joy in and of itself.**

Why not?
Or, rather: Why the hell not?

Actually, some years ago I created my own systems effectiveness measures. Four, to be exact. I argued then—and far more so today—that every system be judged on four design-driven criteria:

Beauty.
Grace.
Clarity.
Simplicity.
Why not?

We don't just want clients to "use" our new system. We want them to be "startled" by what a joy it is to maneuver through, to be "stunned" by how much the system helps them, and in fact causes them re-conceive their work overall. Or some such.

I am arguing here—in no uncertain terms—that: ***Great—beautiful, graceful, clear, simple, elegant—systems are as important as the products and services they are designed to support.***

(Addendum: And while we're at it, we also need a … formally designated … CGRO/Chief Grunge Removal Officer. That is, all systems grow more complex over time. This is a fact of life. One big reason smaller concerns outperform larger firms is that the smaller outfits' systems are not yet grunge victims. We need to deal with "grunge drift" in a formal fashion—some form of CGRO.)

XXXIII. KaBoom$$$$$$!

In effort to be "with it," don't overlook the fact that …

10,000 boomers turn 65

EVERY DAY

'til 2030.

• Many/most have Big D: discretionary income.

Is your marketing to/product-services for age 65/65+ folk as imaginative as that aimed at those 30 and under???

Attribute #1 … of a large share of 65/65+ crowd?
The Holy Grail:

DISCRETIONARY INCOME!

"In 2009, households headed by adults ages 65 and older ...

***had 47 times as much net wealth as the typical household headed by someone under 35 years of age. In 1984, this had been a less lopsided 10-to-1 ratio."*—Pew Research**

"The New Customer Majority 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*

Barbara Cochlin: **“So if U want 2 surf the Waves of a Serious MegaTrend, find a Boomer Niche & KaBoom!! :)”**

TP: Bloody brilliant!

“People turning 50 today have *more than half* of their adult life ahead of them.”*—Bill Novelli, *50+: Igniting a Revolution to Reinvent America*

(*This absurdly simple comment hit me right between the eyes. In fact, it was single-handedly my motivation for jacking this topic waaaaaaay up my priority list. Think about it: Marketers are more or less done with us at age 35. But in the real world, the over 50s—there are almost 80 million boomers, for example—are in fact only half done. WOW!)

“Marketers’ attempts at reaching those over 50 have been miserably unsuccessful. No market’s motivations and needs are so poorly understood.”

—Peter Francese, publisher, *American Demographics*

“Fifty-four years of age has been the highest cutoff point for any marketing initiative I’ve ever been involved in. Which is pretty weird when you consider age 50 is right about when people who have worked all their lives start to have some money to spend.”*—Marti Barletta, *PrimeTime Women

Holy Toledo!

"People turning 50 today have … more than half … of their adult life ahead of them."

"Baby-boomer Women: ***The Sweetest of Sweet Spots for Marketers"***

—David Wolfe and Robert Snyder, ***Ageless Marketing***

"Older people have an image problem. As a culture, we're conditioned toward youth. … When we think of youth, we think 'energetic and colorful'; when we think of middle age or 'mature,' we think 'tired and washed out.' And when we think of 'old' or 'senior,' we think either 'exhausted and gray' or, more likely, we just don't think. … ***The financial numbers are absolutely inarguable—the Mature Market has the money.*** ***Yet advertisers remain astonishingly indifferent to them. …"***

—Marti Barletta, ***PrimeTime Women***

XXXIV. Radical Personal Development

This riff took place @ 9AM on … 1 January 2014:

Accelerating tech changes/etc. = Middle class in tank; good jobs falling to algorithmic automation and offshoring. ONLY answer/ONLY chance: Determined/intensive commitment to personal growth. Start date: 1/1/14.

Public policy is largely irrelevant. Revolutionary econ structural change is here-to-stay. Only defense is personal development. NOW!

You totally misunderstand overall econ context if you choose not to start today on

RPD*/Radical Personal Development.*

If Reps and Dems were all geniuses and worked together, econ tsunami would still thunder in. Answer is RPD/Radical Personal Development. PERIOD.

Remember: An excellent "Brand You" portfolio is about self-LESS-ness, not self-ISH-ness. You are as good (or bad) as the network you develop-nurture. PERIOD.

Beating the econ revolution: Invest in your network (help/share). Hit the books (study). Work your ass off. WOW-ify every project. Start: TODAY.

(I like RPD. Just bought … http://RadicalPersonalDevelopment.com.)

Beating* the economic/tech revolution: Invest in your network (share). Hit the books (study). Work your ass off. WOW-ify every project. Start: TODAY.

***The ONLY way to win/thrive.**

Circa 2014+:
Multiple Choice Examination

You will you lose your job to … choose one:

Offshore contractor?
Advanced high-speed algorithm?
Robot?
A re-tooled value-added "Brand You"?

Source: Inspired by Dan Pink

Globalization 1.0: *Countries* globalizing (1492-1800)
Globalization 2.0: *Companies* globalizing (1800-2000)

Globalization 3.0 (2000+): *INDIVIDUALS COLLABORATING & COMPETING GLOBALLY*

Source: Tom Friedman, *The World Is Flat*

(*“The median worker is losing the race against the machine.”*—Erik Brynjolfsson /Andrew McAfee/*Race Against The Machine*)

(*“The root of our problem is not that we’re in a Great Recession or a Great Stagnation, but rather that we are in the early throes of a Great Restructuring. Our technologies are racing ahead, but our skills and organizations are lagging behind.”*—Erik Brynjolfsson /Andrew McAfee/*Race Against The Machine*)

RPD or bust. Start date: TODAY. Tomorrow: TOO LATE.

Do … SOMETHING. NOW.

RPD/Today: Download an interesting book. Schedule a lunch with someone interesting … THIS WEEK. Concoct a next step to WOW-ify a current project … TODAY.

RPD/Today: Check out MOOCs. Work with a pal on a reading list for the next 6 months. Call a good professional pal: Noodle on creating a Club RPD.

Students. ALL.

We ALL must be …

SERIOUS STUDENTS.

All the time. About our professional content.

And, particularly,

BEYOND our professional specialty.

READ.

READ.

READ.

STUDY.

STUDY.

STUDY.

... until you are blue in the face.
(Age 18. Age 38. Age 58. Age 78.)

2014: *Most Assiduous "Lifelong Learner" WINS!*

BRAND YOU WORLD: Winner's Daily 13

1. **Your call and yours alone: Consciously choose the *attitude* you take to work this morning. (Good day *or* bad: Positive/Enthusiastic.)**
2. **Realize that *each day offers up on a silver platter a dozen LEADERSHIP opportunities,* regardless of your age/experience/rank/ seniority/status. (Grab at least ONE.)**
3. ***Arrive early. Leave late.* (Out work 'em … it works.)**
4. **SHOW UP.**
5. ***Listen aggressively:* Formally practice and improve listening skills (Effective listening = #1 longterm differentiator.)**
6. ***Learn* something new TODAY. *Meet* someone new TODAY. (Live in your discomfort zone.)**
7. **Cherish your *boo-boos*. (No screw-ups today = abject failure to nudge ye olde envelope.)**
8. ***Civil.* Always. (Make it a RELIGION.)**
9. **Unbidden, *help someone* with some(little)thing. (Make it a RELIGION.)**
10. **Take a nanosecond to say *"Thanks"* for tiniest atoms of helpfulness. (Make it a RELIGION.)**
11. ***Smile.* (Make it a religion.)**
12. ***Eye contact.* (Make it a religion.)**
13. **EXCELLENCE. NOW. No excuses.**

100.00000% Creative!

Comment: "That [the benefits of disorder] could be true for creative pursuits. I doubt it works if you need to be focused on a detailed, time bound task."

I disagree 100.0000%. (Make that 100.00000%.)

FYI: ALL pursuits are CREATIVE pursuits. PERIOD.

Oh dear, just favorited myself. The point is that important: ALL PURSUITS ARE CREATIVE PURSUITS. (ALL = Every frigging one.)

The fun part is laying a creative trip on a "dull" "rote" "boring" task/ assignment!
(Turn shit into WOW?!)

Bosses …

Boss and RPD: *Your job is safer if every one of your team members is committed to RPD/Radical Personal Development. Actively support one and all!*

Bosses supporting RPD/Radical Personal Development: Read Matthew Kelly's *The Dream Manager*.

Bosses/In the next two weeks: Plan a sit-down meeting with each of your team members concerning her/his RPD/Radical Personal Development aspirations.

***"The role of the Director is to create a space where the actors and actresses can become more than they've ever been before, more than they've dreamed of being."*—Robert Altman, Oscar acceptance speech**

"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 to allow its members to discover their greatness."

—Warren Bennis and Patricia Ward Biederman, ***Organizing Genius***

"No matter what the situation, [the great manager's] first response is always to think about the individual concerned and how things can be arranged to help that individual experience success."

—Marcus Buckingham, ***The One Thing You Need to Know***

"When I hire someone, that's when I go to work for them."

—John DiJulius, ***What's the Secret to Providing a World-Class Customer Experience***

"I start with the premise that the function of leadership is to produce more leaders, not more followers." **—Ralph Nader***

***This is a "terrific quote." BUT … please pause:** **WHAT DOES IT MEAN TO YOU? <u>RIGHT NOW</u>? (<u>PLEASE</u> … STOP & CONSIDER.)**

XXXV. FUNDAMENTALLY …

We Are Ready!

“All human beings are entrepreneurs.

***When we were in the caves we were all self-employed ... finding our food, feeding ourselves. That’s where human history began. ... As civilization came we suppressed it. We became labor because they stamped us, ‘You are labor.’ We forgot that we are entrepreneurs.”*—Muhammad Yunus**

(I do not wish in any way to make light of the new sense—partially real, partially perceived—of job insecurity brought about by the likes of the financial crisis, globalization and automation. Many thought they were getting one sort of deal—e.g., college degree is ironclad lifelong job assurance—and it turns out they weren't.

But …

Let's take on board Yunus' comment.

For example, I live in rural Vermont. When work needs doing, I have a long list of plumbers and carpenters and electricians and others who will respond to my needs. Posthaste. And exhibiting EXCELLENCE in their craft. Some may have degrees. Many don't.

But one thing is sure: *None has an iota of conventional job security.* They depend on their wits, their skill, their community reputation.

In the very best sense of the word, they are "normal"—the guy or gal next door. And they are—every one of them—ENTREPRENEURS in the sense intended by Mr. Yunus' quote above.

No, this "entrepreneurial thing," or "entrepreneurial flair," is NOT some weird genetic set carried only by a handful of us. It is, to the contrary, imbedded in just about all of us.

Ready for ignition …)

(*“We are in no danger of running out of new combinations to try. Even if technology froze today, we have more possible ways of configuring the different applications, machines, tasks, and distribution channels to create new processes and products than we could ever exhaust.”*—Erik Brynjolfsson and Andrew McAfee, *Race Against The Machine: How the Digital Revolution Is Accelerating Innovation, Driving Productivity, and Irreversibly Transforming Employment and the Economy*)

XXXVI. Benchmarking, Problems Therewith

Benchmarking Rule #1: ***"Best practices" are to be learned from, NOT mimicked/treated as law. "Best practices" must ALWAYS be adapted to local conditions!***

Benchmarking Rule #2: ***When pursuing "best practices," DON'T benchmark. FUTUREMARK. Tomorrow's stars are already out there. Find 'em!***

Benchmarking Rule #3: ***DON'T benchmark. OTHERMARK. Tech company can adopt "WOW" service practice from, say, a local restaurant or car dealer.***

Benchmarking Rule #4: ***Make benchmarking EVERYONE's biz. Ask all to collect best practices from "everyday life." Share WEEKLY.***

Corporate governance (Twitter I.D.): "Healthcare's service standard shouldn't be other HC providers. It should be Zappos."

One of VA's biggest breakthroughs apparently started with a nurse's observation from the local Burger King. (Use of barcoding.)

Adam Jacoby: ***"Examples of excellence are everywhere. The art is in customization & execution. Don't settle for others' best."***

The setting need not be grand! We can also learn powerful tidbits—or more—from the corner store! (If our eyes are always open.) (My book* The Little BIG Things *opens with the sparkling restroom in a small restaurant in Gill, Massachusetts.)

Lots of small biz owners are refugees from big business—trying to right "worst practices" they were muzzled by.

Corporate governance: "Yes, and I discovered my corner shop owner was a PhD in economics and an MBA. Talked for full hour on service!"

Sandy Maxey: "As currently used, benchmarking is a tool of self-reinforcing smug complacency—not about innovation."

TP: Alas, I have no choice but to agree.

"Best practices" are to be learned from, NOT mimicked/ treated as dogma. "Best Practices" must ALWAYS be adapted to LOCAL conditions!

XXXVII. W-A-A-Y Overemphasizing Big Stuff

(And other issues concerning small businesses and growth businesses)

Why is "the business literature" overwhelmingly about giant corporations or self-help for individuals? Where's stuff on 2-50 person company—where the large majority of us work?

It's partially because "gurus" like me historically get off on interviewing the Jack Welches of the world.

Frankly, I think the "gurus" or academics disdain or ignore these 2-50 companies.

There is no time that is bad for a start-up … if you are passionate about something and can beg, borrow, or steal a few bucks. (And it often *can* be just "a few" bucks.)

My focus here is *not* on entrepreneurs and start-ups. I'm thinking more about an existing 2-50 person company that someone's aiming to make supercool.

My real target is a 17-person company that someone wants to guide to product or service excellence, stellar productivity—and also make it a "best place to work."

Comment: "Isn't focus on 'scalability' (growth & replication)?"

Response: If I never hear the term "scalable" my life will be immeasurably happier.

Comment: "Isn't every company into growth? Using giants as benchmarks?"
Response: What about a local auto dealership or community bank—not aiming for $10B in assets or $250M in sales?

My favorite book on non-monsters: Bo Burlingham's *Small Giants: Companies That Choose to Be Great Instead of Big*

My #2 fav on non-monsters: George Whalin's *Retail Superstars: The Best 25 Independent Stores in America*

Comment re fighting perils of size: Richard Branson used to say automatically break a unit up when it gets to 50 employees. *Jack Welch used to say he wanted every piece of GE to be run like an excellent small biz.*

Robert Cook: "I worked in one of Jack Welch's businesses; always pushing team to understand their customers but run your own business or else."

In a way we tried to de facto focus on the "working size" bits in *In Search of Excellence*. Avoided CEOs. Aimed to extract lessons from the person running a $50M division.

New aim: I want my bit "Tingleworthy." Wow-ify that little sucker 'til it's Tingleworthy! Okay?

Glen Taylor: *"Yes, like a great rock band's growth comes when you make ravenous fans of what you do. If it's not tingleworthy, who gives a sh*t."*

TP: Beautiful, brother! Beautifully beautiful!

Woody Zuill: "*I am fully in alignment on this. If Not Tingle Now, When?"*

Adam Jacoby: *"In my last biz we called it creating a 'World of Wow.'"*

TP: Love it!

Wow-ify that little sucker 'til it's Tingleworthy! (What else?)

Jerry Garcia: "We don't want to be the 'best of the best.' We want to be the only ones who do what we do."

Per my 1999 PSF Model: ***A small business is also a 25-person logistics department in a $250M business unit.*** **(PSF = Professional Service Firm.)**

Small biz: ***Training Inc., a 14-person unit in a 50-person HR dept. in a $200M biz unit in a $3B corp.***

Comment: "Training unit is different from small business."

NO. Excellence for that 14-person training dept. dittos the 14-person retailer in my book. Shoot for Tingleworthiness or bust.

Carlo Navato: "And that's what matters right? Authentic, original, visceral, bang!"

FYI: Start-ups are not particularly a young person's affair: In fact, in the U.S. most start-ups are older folks, many many 50+/50++.

Comment: "Aversion to scalability cannot hold for tech/Web."

Response: Rubbish. There is no "tech." There are 23,000,000 different flavors thereof. Minimum.

I venture to say that if you are focused on "scalability" from the start, you are doomed.

To aspire to be Facebook is arrogance beyond measure. To use FB as a model is insane.

I admire boldness. But the fact that there exist a handful of bazillion-$$ companies is of no use whatsoever to a start-up.

Protagonist: "Scale this sucker and monetize it and sell it."
TP: Let's do seriously/embarrassingly cool shit! And … ENJOY THE RIDE!

Small (entrepreneurial) biz: ***Training Inc., a 14-person unit* in a 50-person HR department in a $200M biz unit in a $3B corporation—aiming for Excellence & WOW!***

***PSF /Professional Service Firm**

(See my *Professional Service Firm 50: Fifty Ways to Transform Your "Department" Into A Professional Service Firm Whose Trademarks Are Passion and Innovation*.)

Comment: "FB focused their product to make it great by scaling slowly, college by college. That's what a great biz does."

TP: Agree. Most of the Web successes I know come from a superb niche idea; if it begins to gain traction, then worry about growth/replication/"scaling."

Personally, I'd rather have $2M in venture money than $12M; in the latter case I'd be perpetually pushed to do "good enough" work and grow ("scale") as fast as I can. **(Parallel: To the amazement of one and almost all, I negotiated a *low* advance for my book #2 so I wouldn't be forced to try to quickly copy #1/*In Search of Excellence* while it was "hot." I never regretted that decision for as much as a nanosecond.)**

Protagonist: ***“It’s ‘good enough’; so scale it, monetize it, and sell it.”***

Me: ***“Let’s do seriously cool shit. Now!”***

B-I-G: Over-rated?!

"I am often asked by would-be entrepreneurs seeking escape from life within huge corporate structures, 'How do I build a small firm for myself?' The answer seems obvious*: *Buy a very large one and just wait."

—Paul Ormerod, ***Why Most Things Fail: Evolution, Extinction, and Economics***

"Mr. Foster and his McKinsey colleagues collected detailed performance data stretching back 40 years for 1,000 [large] U.S. companies. They found that

NONE **of the long-term survivors managed to outperform the market. Worse, the longer companies had been in the database, the worse they did."—*Financial Times***

"Data drawn from the real world attest to a fact that is beyond our control: Everything in existence tends to deteriorate."

—Norberto Odebrecht, ***Education through Work***

“Not a single company that qualified as having made a sustained transformation ignited its leap with a big acquisition or merger. **Moreover, comparison companies—those that failed to make a leap or, if they did, failed to sustain it—often tried to make themselves great with a big acquisition or merger. They failed to grasp the simple truth that while you can buy your way to growth, you cannot buy your way to greatness.”**

—Jim Collins/*Time*

Retail Superstars:

Inside the 25 Best Independent Stores in America

by George Whalin

Jungle Jim's International Market, Fairfield, Ohio: "An adventure in 'shoppertainment,' as Jungle Jim's calls it, begins in the parking lot and goes on to 1,600 cheeses and, yes, 1,400 varieties of hot sauce—not to mention 12,000 wines priced from $8 to $8,000 a bottle; all this is brought to you by 4,000 vendors. Customers come from every corner of the globe."

Bronner's Christmas Wonderland, Frankenmuth, Michigan, pop 5,000: 98,000-square-foot "shop" features the likes of 6,000 Christmas ornaments, 50,000 trims, and anything else you can name if it pertains to Christmas.

(I *love* these folks. I hand the book out to accountants and engineers and purchasing officers. These stores are 25 matchless examples of for-profit imagination-without-brakes. We can *all* learn from them!)

1,600 cheeses.

1,400 varieties of hot sauce.

12,000 wines priced from $8 to $8,000 a bottle.

6,000 Christmas ornaments.

50,000 trims.

PASSION.

Lessons (for Everyone) from *Retail Superstars*!

1. Courses/Workshops/Demos/Engagement
2. Instructional Guides/Material/Books
3. Events & Events & Events …
4. Create "Community" of Customers
5. Destination
6. Women-as-lead-Customers
7. FANATICS: Staff Selection/ Training/Retention
8. Fanaticism/Execution
9. Design/Atmospherics/Ambience
10. Tableaus/Products-in-Use
11. Flow/Starts & Finishes (Disney-like)
12. 100% Orchestrated Experience/Focus: "Moments of Truth"
13. Constant Experimentation/Pursue Little BIG Things
14. Social Media/Ongoing Conversation with Customers
15. Community Star
16. Aim High
17. PASSION

Small Giants:

Companies That Choose to Be Great Instead of Big

by Bo Burlingham

"They cultivated exceptionally intimate relationships with customers and suppliers, based on personal contact, one-on-one interaction, and mutual commitment to delivering on promises.

"Each company had an extraordinarily intimate relationship with the local city, town, or county in which it did business—a relationship that went well beyond the usual concept of giving back.

"The companies had what struck me as unusually intimate workplaces.

"I noticed the passion that the leaders brought to what the company did. They loved the subject matter, whether it be music, safety lighting, food, special effects, constant torque hinges, beer, records storage, construction, dining, or fashion."

“... agile creatures darting between the legs of the multinational monsters ...”

—*Bloomberg BusinessWeek* on the peerless, economy-driving German MITTELSTAND*

(*Until very recently, year after year the world's #1 exporter was neither the USA nor Japan nor China. It was … Germany. (China is now #1, Germany, #2.)Why? In a word:

MITTELSTAND. That is, Germany's mid-sized superstars. The top tier is typically shockingly sophisticated high-end niche players or, more accurately … NICHE DOMINATORS. Fact is—I think—I was the first American to study them close up. My colleagues and I did a PBS show on the Mittelstand in 1991—and I wrote about them in *Liberation Management* in 1992. I fell head-over-heels in love with these firms. I believe the likes of them can be the bedrock of most any economy—as they are in Germany. Who needs to depend on the giants? Nurture your Mittelstanders—that's my insistent message.)

ANYTHING! ANYWHERE! EVERYWHERE!

The (Mittelstand) Magicians of Motueka*

(*A wee town at the top of New Zealand's South Island)

W.A. Coppins Ltd.

(Coppins Sea Anchors/PSA/para sea anchors)

Coppins started in textiles in 1898; progressed into sophisticated sea anchors in 1976.

Thrive on …

"wicked problems"*

(*Classic Mittelstand.)

For example ("wicked" as it gets), 2013 contract with a (VERY) tough customer, the U.S. Navy, for sea anchor for STLVAST/Small To Large Vehicle At Sea Transfer.

U.S. Navy's STLVAST Sea Anchor: A Mittelstand Trifecta*

Specialty nylon, Dyneema, from DSM/Netherlands.

Custom fabric from W. Wiggins Ltd./Wellington, NZ.

Final product from Coppins.

***These sorts of "MITTELSTAND Superstars" can be born and raised anywhere, thrive, and be the bedrock of a thriving national economy, a big one at that—e.g., Germany. Literally: As goes the Mittelstand, so goes Germany. (See above.)**

Fact:

I love Middle-sized Niche-/ Micro-niche Dominators!

“Own” a niche through Excellence!

In Search of Kiwi (pop 4M) EXCELLENCE

I am a part-time New Zealand/Kiwi resident—2.5 months a year, during the New England winter. I was asked to address a prestigious business-government forum, called the *New Zealand Initiative*, in March 2014. The NZ economy is to a large extent driven by dairy exports. Fine enough. But when one is at the whim of commodities, one is in a particularly precarious position. You'll see my views from the 13 March presentation summarized here, labeled, as noted in the title, "In Search of Kiwi EXCELLENCE":

1. We are in the midst of unprecedented ("exponential") change—at once exciting and frightening. And wholly independent of geographic location.

2. The principal role of the state is to provide for the betterment and development of its citizens —PEOPLE FIRST.

3. Businesses—small/large/one at a time—are THE engine of national human capital development. (AND must necessarily act accordingly.) (Note: I feel this is a … HUGE … idea. Business … IS … the de facto/de jure engine of human capital investment. Thence, regardless of the whims of a particular government, business … MUST … step up to the plate. NO OPTION.)

4. PUTTING PEOPLE FIRST … maximizes mid- to long-term growth and financial success for businesses of every size and flavor. (PPF is NOT a "soft" idea/strategy. It is the … ultimate "hard" idea/strategy. *In Search of Excellence*: "Hard is soft. Soft is hard.")

5. Putting people first means by definition that … SUPERB/ MIND-BLOWING TRAINING & DEVELOPMENT IS INVESTMENT PRIORITY #1.

5A. "Insane" commitment to training and development is effectively guaranteed (!) to mitigate if not reverse "brain drain." (Make NZ a net top-talent attractor via … "GUARANTEED" EXCELLENCE IN HUMAN CAPITAL DEVELOPMENT. Why not?)

6. Education requires almost a 180-degree reversal—age 4 to 84. Creativity is long-term national resource #1—and schools (all around the world) are "excellent" at mercilessly destroying creativity and its handmaiden, entrepreneurial instinct. (NOBODY … is "doing it right"—which in and of itself presents an enormous opportunity!)

6A. The new technologies must be unabashedly AND relentlessly AND creatively AND audaciously applied to education—age 4 to 84. (Beware the tenacity of the descendents of Ned Ludd!)

6B. A significant share of the VERY best and VERY brightest of our university graduates must be radically (BIG incentives) induced to do "national service" as teachers for a limited period of time. (Remember: "Exponential" change—youth is imperative in our teacher corps.)

7. Giant companies are long-term … LOSERS. (The evidence is … UNEQUIVOCAL.

7A. Which is to say UNEQUIVOCALLLY: The strength of a nationin general, and the likes of NZ in particular, is its MITTELSTAND … smallish to middle-sized specialist superstars committed to … "OUTRAGEOUSLY HIGH VALUE ADDED."

7B. New-tech allows locals following any path to be global to an unprecedented degree—i.e., "micro-multinationals."

7B1. "Social business" is a buzzphrase that turns out to be "the real thing." Radical social engagement practices are changing the definitions everything from "organizing" to "financing" to "service/customer experience" to "marketing" … to the essence of the brand itself.

7C. There are no industry limitations to "Mittelstand-ing": ANYTHING is fair game, not just the likes of software/bio-tech.

7D. "Commodity" is a (DISASTROUS) state of mind. With determination and an unwavering commitment to innovation and excellence … ANYTHING can be DRAMATICALLY differentiated.

7E. Listen to Steve Jobs/BMW: Embrace terms such as "Insanely Great" and "Radically Thrilling." (Which can apply to a supply chain system as well as a scintillating product.)

7F. Public sectorites: Dramatic improvements in support for ease-of-doing-business can be accomplished w/o legislation; government agencies are invariably their own worst enemies.

8. An effective economy, long-term, is built upon a foundation of: (1) No-holds-barred HUMAN CAPITAL DEVELOPMENT. And: (2) RELENTLESS EXPERIMENTATION. ("Ready. FIRE. Aim." "Fail. Forward. Fast.")

8A. Many/most "eggs in one or two baskets" (products, partners) is a perilous strategy in general and … LITERALLY INSANE … in tumultuous times. (Hint: these are "tumultuous times" of "exponential" change.)

9. Women BUY. Women RULE. Thence: A failure to take full advantage of the talents and energy of WOMEN is a sign of … STAGGERING ECONOMIC IGNORANCE.

9A. Women are the premier purchasers of … EVERYTHING. Men are incapable of designing products for women. Women tend to be significantly more effective leaders in today's emerging, less hierarchical world. E.g., COMPANIES WITH BALANCED F-M LEADERSHIP TEAMS PERFORM DRAMATICALLY BETTER (FINANCIALLY, ETC.) THAN M-DOMINATED INSTITUTIONS.

10. Mantra 2014: READ. READ. READ. READ. READ. READ. READ. READ. STUDY. STUDY. STUDY. STUDY. STUDY. STUDY. STUDY. STUDY. STUDY.

11. EXCELLENCE is a state of mind. If not EXCELLENCE … why the hell bother to get up in the morning?

12. "WOW" is a state of mind. If not WOW … why the hell bother to get up in the morning?

13. New Zealand IS special. New Zealand IS different. Short-term economic panaceas should not stand in the way of a strategy based upon "Insanely-High-Value-Added-The-Kiwi-Way." Timidity is a loser's approach amidst exponential change.

XXXVIII. Judgment: Questionable Quality Thereof

Docs over-rely on clinical evidence—a handful of distorted memories about old cases. There are a jillion research studies on that.

(I mis-spoke on "jillion" studies re faulty clinical judgment. Number is probably a few thousand.)

I've been studying faulty judgment for 41 years. And research waaaaaay predates me.

Turns out most professionals are shitty decision makers. They over-rely on "clinical" experience—i.e., very low "n"/sample size.

Require as basic text in med school: Daniel Kahneman's *Thinking, Fast & Slow*.

"Clinical judgment" is in general laughable.

Clinicians (a) are dealing with a small sample of data; and (b) their judgment is overwhelmed by a tiny sample-within-the-small-sample which is the extreme events they actually recall.

My friends and I laugh hysterically after close study of Kahneman. ALL professionals tend to be pathetic/horrid/wretched decision makers.

The power of "clinical" judgment? Most-all fund managers suck over even the mid-term, let alone the long term. Try a Vanguard PURE Index fund if you want results. (THIS IS NOT A RECOMMENDATION.)

Re clinical judgment: HR "experts" are being made to look like, um, non-geniuses re hiring, etc., by Big Data/algorithms.

Re judgment: ***The “funny thing” is how relatively simple the algorithm can be that tops “professional” human judgment.***

The research, alas, snickers at common sense, too. Common sense is more or less a synonym for faulty judgment.

Mr. Gladwell gave us *Blink*. Research is clear: Intuition is laughably bad in most cases.

Kahneman's data suggest "thinking out of the box" is the supreme enemy of sound decision making.

CDC uses Big Data VERY accurately to predict the path of a flu outbreak. Odd correlations are better predictors than local disease data.

The days of sampling are coming to an end. Big Data often deals with population data.

NYC software start-up looks forward to the day when "data studs" will make more or less 100% of medical "clinical" "judgments." (I do not exaggerate—may or may not be true; but even the fact that it's thinkable enough to attract big venture money is telling.)

Tom Asaker: "Your judgment is probably decent. Unfortunately, your desires overrule it most of the time."

Tom, I think there's truth to that—but my confidence wanes by the hour. It's more fundamental than emotional roadblocks. We are *always* dealing with small samples.

"The first principle is that you must not fool yourself, and you are the easiest person to fool."—Richard Feynman (courtesy Tim Fargo)

This tweetstream constitutes bitter medicine. And the Big Data, etc., etc., road has a million twists & turns ahead. There is only one sin: Keeping one's head in the sand.

Hence: STUDY. STUDY. STUDY.

Ain't it a bitch to learn definitively that your "judgment" sucks?* I'm joking but I'm not. And: I sure as hell ain't exempting myself!

***For a definitive list of 159 cognitive biases, see …**

http://en.wikipedia.org/wiki/List_of_cognitive_biases; a summary listing follows.

DECISION-MAKING, BELIEF, BEHAVIORAL, SOCIAL, AND MEMORY BIASES

1. Actor-observer bias
2. Ambiguity effect
3. Anchoring or focalism
4. Attentional bias
5. Availability heuristic
6. Availability cascade
7. Backfire effect
8. Bandwagon effect
9. Base rate fallacy or base rate neglect
10. Belief bias
11. Bias blind spot
12. Bizarreness effect
13. Change bias
14. Cheerleader effect
15. Childhood amnesia
16. Choice-supportive bias
17. Clustering illusion
18. Confirmation bias
19. Congruence bias
20. Conjunction fallacy
21. Conservatism (Bayesian)
22. Conservatism or regressive bias
23. Consistency bias
24. Context effect
25. Contrast effect
26. Cross-race effect
27. Cryptomnesia
28. Curse of knowledge
29. Decoy effect
30. Defensive attribution hypothesis
31. Denomination effect
32. Distinction bias
33. Dunning–Kruger effect
34. Duration neglect
35. Egocentric bias
36. Egocentric memory bias
37. Empathy gap
38. Endowment effect
39. Essentialism
40. Exaggerated expectation
41. Experimenter's or expectation bias
42. Extrinsic incentives bias
43. Fading affect bias
44. False consensus effect
45. False memory
46. Focusing effect
47. Forer or Barnum effect
48. Framing effect
49. Frequency illusion
50. Functional fixedness

51. Fundamental attribution error
52. Gambler's fallacy
53. Generation or self-generation effect
54. Google effect
55. Group attribution error
56. Halo effect
57. Hard-easy effect
58. Hindsight bias
59. Hostile media effect
60. Hot-hand fallacy
61. Humor effect
62. Hyperbolic discounting
63. Identifiable victim effect
64. IKEA effect
65. Illusion of asymmetric insight
66. Illusion of control
67. Illusion of external agency
68. Illusion of transparency
69. Illusion of truth effect
70. Illusion of validity
71. Illusory correlation
72. Illusory superiority
73. Impact bias
74. Information bias
75. In-group bias
76. Insensitivity to sample size
77. Irrational escalation
78. Just-world hypothesis
79. Lag or spacing effect
80. Less-is-better effect
81. Leveling and sharpening
82. Levels-of-processing effect
83. List-length effect
84. Loss aversion
85. Ludic fallacy
86. Mere exposure effect
87. Misinformation effect
88. Modality effect
89. Money illusion
90. Mood-congruent memory bias
91. Moral credential effect
92. Moral luck
93. Naive cynicism
94. Negativity bias
95. Negativity effect
96. Neglect of probability
97. Next-in-line effect
98. Normalcy bias
99. Observation selection bias
100. Observer-expectancy effect
101. Omission bias
102. Optimism bias
103. Ostrich effect

104. Outcome bias
105. Out-group homogeneity bias
106. Overconfidence effect
107. Pareidolia
108. Part-list cueing effect
109. Peak-end rule
110. Persistence
111. Pessimism bias
112. Picture superiority effect
113. Planning fallacy
114. Positivity effect
115. Post-purchase rationalization
116. Primacy effect, recency effect & serial position effect
117. Processing difficulty effect
118. Pro-innovation bias
119. Projection bias
120. Pseudocertainty effect
121. Reactance
122. Reactive devaluation
123. Recency illusion
124. Reminiscence bump
125. Restraint bias
126. Rhyme as reason effect
127. Risk compensation or Peltzman effect
128. Rosy retrospection
129. Selective perception
130. Self-relevance effect
131. Self-serving bias
132. Semmelweis reflex
133. Shared information bias
134. Social comparison bias
135. Social desirability bias
136. Source confusion
137. Status quo bias
138. Stereotypical bias
139. Stereotyping
140. Subadditivity effect
141. Subjective validation
142. Suffix effect
143. Suggestibility
144. Survivorship bias
145. System justification
146. Telescoping effect
147. Testing effect
148. Time-saving bias
149. Tip of the tongue phenomenon
150. Trait ascription bias
151. Ultimate attribution error
152. Unit bias
153. Verbatim effect
154. Von Restorff effect
155. Well-traveled road effect
156. Worse-than-average effect
157. Zeigarnik effect
158. Zero-risk bias
159. Zero-sum heuristic

I have spent a lot of time in the last 12 months in denial concerning this stuff. I'm still in denial—but a lot less so than a year ago. I have now reached the point of being genuinely …

OPEN-MINDED.

New World Order: FOUR MINUTES after your [Stefan Stern's] tweet [about Julian Birkinshaw's book *Becoming a Better Boss*], I COMPLETED downloading it onto my iPad.

Stefan Stern: "HNY." [Happy New Year.]

Tim Fargo: "The consistent problem is, even with 'data': It often gets shaped to support our prior opinion or discarded if not in agreement. Humans!!!"

Usually we shoehorn new data [from info that is inconsistent with our extant beliefs] into our prior model; our beliefs are untainted by the new contradictory evidence.

Cindy Potts: "Maybe excessive comfort in your judgment is a sign you've stopped growing/learning."

TP: Uncomfortable discussion [for many]. Losing followers. Cool.

"The first principle is that you must not fool yourself, and you are the easiest person to fool."*—**Richard Feynman** **(courtesy Tim Fargo)**

***Repeat: I do not view this tweetstream as negative. We simply need to educate ourselves and strip off the rose-colored glasses—better judgments, or at least less-bad judgments, may well ensue. But:**

Blinders NEVER pay!

XXXIX. Culture Comes … FIRST

WSJ/0910.13: ***"What matters most to a company over time? Strategy or culture?"***

Dominic Barton,* MD, McKinsey & Co.: ***"Culture."***

Bill Walsh,* NFL Hall of Fame Coach: ***"Culture precedes positive results.*** ***It doesn't get tacked on as an afterthought on the way to the victory stand."***

Lou Gerstner,* former CEO, IBM: ***"If I could have chosen not to tackle the IBM culture head-on, I probably wouldn't have. My bias coming in was toward strategy, analysis and measurement. In comparison, changing the attitude and behaviors of hundreds of thousands of people is very, very hard. Yet I came to see in my time at IBM that culture isn't just one aspect of the game—IT IS THE GAME."***

***Note that all three of these CEOs are/were charter members of the Hard-ass School of Management. This was a realization that emerged for each one over time, but is stated here—UNEQUIVOCALLY.**

“Yet I came to see in my time at IBM that culture isn’t just one aspect of the game—IT IS THE GAME.”

Hard is soft!
*Soft is hard!**

***People. Customers. Values. Corporate "culture." Some—most?—call these "variables" "soft." Instead they say with a near sneer: "Show me the numbers and the plans!"**

Surely there is room (and need!) for the numbers and a plan. But *they* are the real "soft stuff"—malleable and manipulable. (As we saw/continue to see time and again during the 2007+ economic crisis.)

The truly "hard stuff" cannot be faked or exaggerated: The relationships with our customers and our own people and our communities. The spirit and grit of the enterprise. Integrity. A willingness to laugh at good tries that go awry—the heart of innovation success. And so on.

"Hard" is soft. "Soft" is hard.

***In Search of EXCELLENCE* … in just SIX words!**

Limits to the value of "management-by-body-count" in Vietnam:

"To his dying day,

[Robert S. McNamara] ***puzzled over facts and figures being no match for hearts and minds."***

Source: *Boston Globe* review of a Donald Rumsfeld documentary/04/04.14

Culture With a … 100X BANG

"I am … hundreds of times … better here [than in my prior hospital assignment] because of the support system. It's like you are working in an organism; you are not a single cell when you are out there practicing." **—Dr. Nina Schwenk, Mayo Clinic***

***One of the two core values instilled by Dr. William Mayo (Mayo Clinic) in 1910 was, effectively, practicing team medicine. Designing the practice around the patient, or "patient-centered care," as some call its rare manifestation today, was the other core value. At Mayo, upon occasion prominent M.D.s have been asked to leave because of their inability to fully grasp the team-practice concept.**

Culture … UNVARNISHED

There is a ton of high falutin' stuff written about "corporate culture"—hey, I've written some of it. But the unvarnished flavors appeal most to me. Former Burger King CEO Barry Gibbons is a pal. He orchestrated a magical turnaround at a troubled firm at a tough time. And the heart of the matter, which he largely achieved, is described—UNVARNISHED—here:

"I didn't have a 'mission statement' at Burger King. I had a dream. Very simple. It was something like,

'Burger King is 250,000 people, every one of whom gives a shit.' ***Every one. Accounting. Systems. Not just the drive-through. Everyone is 'in the brand.' That's what we're talking about, nothing less."***

Culture … Give-A-Shit-ism

Forget "culture"/"vision"/"stories"/"narratives." Skip the pseudo-technical language. Don't call the consultants or "coaches." Inspired by ex-BK chief Barry Gibbons, how about …

Plain-Vanilla-Insanely-Important-Self-Managed-Give-A-Shit-ism? Give-A-Shit … about each other, about the work, about the community.

Give-A-Shit-ism Attribute #1: A desperate need

***(desperate, not urgent; need, not desire)* to help others grow.**

Mike Brown: "Commit to your people's growth or don't come at all."

Respect is by far the most powerful motivator of them all.

Philip Hopewell on respect: *"Lean forward and listen."*

TP: That "simple" tweet must be read carefully to have the impact it deserves.

More, subtle but not subtle, adapted from a tweet by Trevor Gay: It's *"Thank you"* for the ordinary, not the extraordinary, that matters most. That's the true sign of your awareness!

Culture … ADDENDUM

My life's work (redux): ***"Hard is soft. Soft is hard."*** **Hence, I am adding at the end of this book, as Appendix TWO, o an updated version of a paper I drafted in 2012: "Systems Have Their Place: SECOND Place."**

The foreword thereto:

There is no doubt whatsoever about the importance of systems—even in a 1-person business. For most of us, the "to do" list—a system if ever there were one—is an imperative aid to making it through the day. On the other hand, there is an other hand. That "to do" list is utterly worthless without the will and discipline to follow up with execution—i.e., actually doing the "to dos." And if that execution and doing involves others' help, as it usually does, then our attitude will differentiate between success and failure.

Fact is, we could get by without the system—the "to do" list per se. But we could not get by or get anything done without the "culture"—the discipline to follow up and attitude required to effectively work with others.

Hence, the title of this essay: "Systems Have Their Place: SECOND Place." Herein are 10 cases—from the U.S. Air Force to Mayo Clinic to Toyota—in which systems, though of the utmost importance, were toothless without the "right" "organizational culture" to abet and sustain performance excellence.

(If you're interested, as noted, the entire paper is added at the end as an Appendix.

XL. Women **BUY!** Women **RULE!**

This Will Be the Women's Century

***"I speak to you with a feminine voice. It's the voice of democracy, of equality. I am certain, ladies and gentlemen, that … this will be the women's century. In the Portuguese language, words such as life, soul, and hope are of the feminine gender, as are other words like courage and sincerity."*—President Dilma Rousseff of Brazil, first woman to keynote the United Nations General Assembly**

"*Forget China, India and the Internet: Economic Growth Is Driven by Women*." [Headline.] "Even today in the modern, developed world, surveys show that parents still prefer to have a boy rather than a girl. One longstanding reason boys have been seen as a greater blessing has been that they are expected to become better economic providers for their parents' old age. Yet it is time for parents to think again. *Girls may now be a better investment.* Girls get better grades in school than boys, and in most developed countries more women than men go to university. *Women will thus be better equipped for the new jobs of the 21st century, in which brains count a lot more than brawn. … And women are more likely to provide sound advice on investing their parents' nest egg—e.g.: surveys show that women consistently achieve higher financial returns than men do.* Furthermore, the increase in female employment in the rich world has been the main driving force of growth in the last couple of decades. *Those women have contributed more to global GDP growth than have either new technology or the new giants, India and China."*

Source: ***Economist***

W > 2X (C + I)*

***"*Women now drive the global economy. Globally, they control about $20 trillion in consumer spending, and that figure could climb as high as $28 trillion in the next five years.* Their $13 trillion in total yearly earnings could reach $18 trillion in the same period. *In aggregate, women represent a growth market bigger than China and India combined—more than twice as big in fact.* Given those numbers, it would be foolish to ignore or underestimate the female consumer. And yet many companies do just that—even ones that are confident that they have a winning strategy when it comes to women. …"**

Source: Michael Silverstein and Kate Sayre, "The Female Economy,"
Harvard Business Review

Women as Decision Makers/Various sources

Home Furnishings … 94%
Vacations … 92% (Adventure Travel … 70%/ $55B travel equipment)
Houses … 91%
D.I.Y. (major "home projects") … 80%
Consumer Electronics … 51% (66% home computers)
Cars … 68% (influence 90%)
All consumer purchases … 83% *
Bank Account … 89%
Household investment decisions … 67%
Small business loans/biz starts … 70%
Health Care … 80%

***In the USA women hold > 50% managerial positions including > 50% purchasing officer positions*; hence women also make the majority of *commercial* purchasing decisions. (Martha Barletta/TrendSight Group)**

"Women ARE the majority market."

—Fara Warner/*The Power of the Purse*

"Female users are the unsung heroines behind the most engaging, fastest growing, and valuable consumer internet and e-commerce companies. **Especially when it comes to social and shopping, women rule the Internet. In e-commerce, female purchasing power is clear. Sites like Zappos, Groupon, Gilt Groupe, Etsy, and Diapers are all driven by a majority of female customers. According to Gilt Groupe, women are 70% of the customers and 74% of revenue. … But what's different now is an exciting new crop of e-commerce companies. One King's Lane, Plum District, Stella & Dot, Rent the Runway, Modcloth, BirchBox, Shoedazzle, Zazzle, and Shopkick are just a few examples of companies leveraging 'girl power.' The majority of these companies were also founded by women, which is also an exciting trend.** ***And take a look at four of the new 'horsemen' of the consumer web—Facebook, Zygna, Groupon, and Twitter. The majority of all four properties' users are female. Make that 'horsewomen.'***

"So, if you're at a consumer web company, how can this insight help you? Would you like to lower your cost of customer acquisition? Or grow revenue faster? Maybe you would benefit from having a larger base of female customers. Do you do enough product and user interface testing with female users? Have you figured out how to truly unleash the shopping and social power of women? ***You could also take a look at your team. Do you have women in key positions?"***

—Aileen Lee, Kleiner Perkins Caufield & Byers (05.06.2011)

"One thing is certain: Women's rise to power, which is linked to the increase in wealth per capita, is happening in all domains and at all levels of society. Women are no longer content to provide efficient labor or to be consumers with rising budgets and more autonomy to spend. … This is just the beginning. The phenomenon will only grow as girls prove to be more successful than boys in the school system. ***For a number of observers, we have already entered the age of 'womenomics,' the economy as thought out and practiced by a woman."***

Source: "Women Are Drivers of Global Growth," Aude Zieseniss de Thuin, founder and president of the Women's Forum for the Economy and Society (*Financial Times*)

Some Suggested (REQUIRED) Reading

Marketing to Women: How to Increase Your Share of the World's Largest Market, **by Martha Barletta**

The Power of the Purse: How Smart Businesses Are Adapting to the World's Most Important Consumers, **by Fara Warner**

Why She Buys: The New Strategy for Reaching the World's Most Powerful Consumers, **by Bridget Brennan**

What Women Want: The Global Market Turns Female Friendly, **by Paco Underhill**

The Soccer Mom Myth: Today's Female Consumer, Who She Really Is, Why She Really Buys, **by Michele Miller and Holly Buchanan**

Influence: How Women's Soaring Economic Power Will Transform Our World for the Better, **by Maddy Dychtwald**

The Female Brain, **by Louann Brizendine, M.D.**

"Headline 2020: Women Hold 80 Percent of Management and Professional Jobs"

Source: ***The Extreme Future: The Top Trends That Will Reshape the World in the Next 20 Years,*** **James Canton**

AS LEADERS, WOMEN RULE: ***New Studies find that female managers outshine their male counterparts in almost every measure"***

Source: TITLE/Special Report/*BusinessWeek*

Women's Strengths Match New Economy Imperatives: 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.*

Source: Judy B. Rosener, *America's Competitive Secret: Women Managers*

Women's *Negotiating* Strengths

***Ability to put themselves in their counterparts' shoes**
***Comprehensive, attentive and detailed communication style**
***Empathy that facilitates trust-building**
***Curious and attentive listening**
***Less competitive attitude**
***Strong sense of fairness and ability to persuade**
***Proactive risk manager**
***Collaborative decision-making**

Source: Horacio Falcao, Cover story/May 2006, *World Business*, "Say It Like a Woman: Why the 21st-century negotiator will need the female touch"

"Power Women 100"/*Forbes* 10.25.10

26 female CEOs of Public Companies:
Vs. Men/Market: +28%* (*Post-appointment)
Vs. Industry: +15%

"McKinsey & Company found that the international companies with more women on their corporate boards far outperformed the average company in return on equity and other measures. Operating profit was

56 *percent higher."*

"Research suggests that to succeed, start by promoting women."

Source: Nicholas Kristof, "Twitter, Women, and Power," *New York Times,* 10.24.2013

"TAKE THIS QUICK QUIZ: Who manages more things at once? *Who puts more effort into their appearance?* Who usually takes care of the details? *Who finds it easier to meet new people?* Who asks more questions in a conversation? *Who is a better listener?* Who has more interest in communication skills? *Who is more inclined to get involved?* Who encourages harmony and agreement? *Who has better intuition?* Who works with a longer 'to do' list? *Who enjoys a recap to the day's events?* Who is better at keeping in touch with others?"

Source/back cover: *Selling Is a Woman's Game: 15 Powerful Reasons Why Women Can Outsell Men*, Nicki Joy & Susan Kane-Benson

"Women Beat Men at Art of Investing"—**Headline, *Miami Herald*, reporting on a study by Profs. Terrance Odean and Brad Barber, UC Davis (Cause: Guys are "in and out" of stocks more often; women choose carefully and hold on for the long term.)**

Portrait of a Female Investor

1. **Trade less than men do**
2. **Exhibit less overconfidence—more likely to know what they don't know**
3. **Shun risk more than male investors do**
4. **Less optimistic, more realistic than their male counterparts**
5. **Put in more time and effort researching possible investments—consider details and alternate points of view**
6. **More immune to peer pressure—tend to make decisions the same way regardless of who's watching**
7. **Learn from their mistakes**
8. **Have less testosterone than men do, making them less willing to take extreme risks, which, in turn could lead to less extreme market cycles**

Source: ***Warren Buffett Invests Like a Girl: And Why You Should Too*****, Louann Lofton, Ch 2, "The Science Behind the Girl"**

"The growth and success of women-owned businesses is one of the most profound changes taking place in the business world today."**—Margaret Heffernan,** ***How She Does It***

***U.S. firms owned/controlled by Women: 10.6 million (48% of all firms)**
***Growth rate of Women-owned firms vs all firms: 3X**
***Rate of jobs created by Women-owned firms vs all firms: 2X**
***Ratio: total payroll Women-owned firms vs total F500 firms: > 1.0**
***Ratio of likelihood of Women-owned firms staying in business vs all firms: >1.0**
***Growth rate of Women-owned companies with revenues of > $1,000,000 and > 100 employees vs all firms: 2X**

Source: Margaret Heffernan, ***How She Does It***

Warren Buffett Invests Like a Girl: And Why You Should, Too

—Book by Louann Lofton

"Girls are the new boys."

—*The Daily Mail*, 04.25.2007,"Why today's women want a girl"

***"Boys Falling Seven Years Behind Girls at GCSE Level"*—headline, *Weekly Telegraph*, UK, 10.25.2006**

"THE NEW GENDER GAP: From kindergarten to grad school, boys are becoming the second sex"*—Cover story, *BusinessWeek

Women < 30 in big USA cities (as of 2005)*: Earnings > Male counterparts. (117%)—Paco Underhill, *What Women Want*

"Investment in girls' education may well be the highest-return investment available in the developing world."

—Larry Summers (as chief economist at the World Bank)

"There are countless reasons rescuing girls is the right thing to do. It's also the smart thing to do. Consider the virtuous circle: An extra year of primary school boosts girls' eventual wages by 10-20%. An extra year of secondary school adds 15-25%. Girls who stay in school for seven or more years marry four years later and have two fewer children than girls who drop out. Fewer dependents per worker allows for greater economic growth. … When girls and women earn income, they re-invest 90% in their families. They buy books, medicine, bed nets. For men the figure is more like 30-40%. 'Investment in girls' education may well be the highest-return investment available in the developing world,' Larry Summers wrote when he was chief economist at the World Bank. The benefits are so obvious, you wonder why we haven't paid attention. Less than two cents of every development dollar goes to girls—and that is a victory compared to a few years ago when it was something like one-half cent. Roughly 9 of 10 youth programs are aimed at boys. …"

—Nancy Gibbs, "The Best Investment: If you really want to fight poverty, fuel growth and combat extremism, try girl power," *TIME* (0214.2011)

***"Progress is achieved through women."*—Bernard Kouchner, founder, Doctors Without Borders (and French foreign minister)**

This Will Be the Women's Century:
State of Women in USA Business/Spring 2012

50%+ Percentage of women in non-farm USA workforce.
50%+ Female 1st-line managers; also 50%+ women purchasing managers—i.e., women buy over half of commercial goods, as well as 80%+ consumer goods. (Guys, the likelihood of your next boss being a woman are over 50%! Get used to it. Get over it!! Prepare for it!) (Several recent studies suggest women rank as far better managers than men; also rated as better negotiators than men.)
80% Estimated percentage of female middle managers by 2020. (# of female Fortune500 chiefs appallingly low, but the tsunami approaches; within a decade of women "taking over" the mid ranks—and taking over the economy as a whole, see below—they will necessarily, I believe, effectively assault the top of the pyramid.)
9 out of top 10 Ratio of the predicted future leading job-growth categories that are currently dominated by women.
10 million++ Women-owned businesses USA. Employ > Fortune500 domestic payrolls. Revenues/USA women-owned businesses > German GDP. Women-owned businesses' revenue growth rate > revenue growth rate in same-age male-owned start-ups. Women launching far more businesses than men—% of all businesses that are women-owned leapt from 25% to roughly 40% in recent years. (When assessing women-and-business, I believe we must question our Fortune500 obsession. Giant USA companies employ << 10% of us. Giant company performance wretched: 0 of biggest 1,000 USA enterprises in 1965 outperformed the stockmarket over the next 40 years, through 2005.)
63% Increase in women's average wage, 1970-2000; same period, men's average wage +0.6%. Men's income, age 30-50 with jobs, dropped by 27% from 1969-2009. Urban USA women, age 23-30, out-earn their male cohort by 17%—greatest difference in Atlanta. (*Bloomberg* article: "The Slow Decline of the American Working Man.")
55%+ Percentage of under-graduate and graduate degrees being granted to USA women. (Boys educational attainment, at end of secondary school, lagging girls by over 5 years in UK; close to same situation elsewhere.) (To my mind, these gaping and accelerating disparities are a bit un-nerving in terms of long-term social stability.)
$28 TRILLION Estimated women's annual global purchasing power; more than 2X combined GDPs of China and India. USA alone: Women's purchasing power > Japanese GDP. (*Economist* headline: "Forget China, India and the Internet! Economic Growth Is Driven By Women.")
Women better investors than men. Bushel of hard stats support this. And then there's Louann Lofton's *Warren Buffett Invests Like a Girl: And Why You Should Too.* (Women's share of wealth already very high—and will soar as Baby Boomers inherit $8 trillion and as boomer men die off, as we do, before their spouses.)
"This will be the women's century." Dilma Rousseff, President of Brazil, keynote (1st woman keynoter) to UN General Assembly 2011.

(Sources: Numerous/prepared by Tom Peters/27 April 2012/for Bentley Center for Women and Business)

XLI. The THREE Rules* **

(*With which I am in *full* agreement.)

(And then three MORE with which I am in full agreement.)**

From Michael Raynor and Mumtaz Ahmed's …

*THE THREE RULES: How Exceptional Companies Think****:

1. Better before cheaper.
2. Revenue before cost.
3. There are no other rules.

****From a database of over 25,000 companies from hundreds of industries covering 45 years, they uncovered 344 companies that qualified as statistically "exceptional."**

“The Economy Is Scary …

But Smart Companies Can Dominate”

“They manage for value—not for EPS.

“They keep developing human capital.

“They get radically customer-centric.”

Source: Goeff Colvin, *Fortune*

XLII. PI6/Personal Impact SIX

Outwork ’em.

Outread ’em.

Outlast ’em.

Show Up.

LISTEN.

Keep an Open Mind.

Big SIX (Redux)*

1. **Hello.**
2. **Thank you.**
3. **Eye contact.**
4. **Fierce listening.**
5. **“What do you think?”**
6. **“How can I help?”**

***Another “Big 6,” posted by me at Twitter and applauded by the twitterati.**

XLIII. BLD

Fact: ***You can take any damned attitude you choose to work today!***

(It's your BLD/Biggest Life Decision.)

BLD/Leaders ALL: ***Every day, on or off the job, offers every one of us a plethora of leadership opportunities! Go for it!***

Work On Me … FIRST

***"Everyone thinks of changing the world, but no one thinks of changing himself"*—Leo Tolstoy**

***"To develop others, start with yourself."*—Marshall Goldsmith**

***"Being aware of yourself and how you affect everyone around you is what distinguishes a superior leader."*—Edie Seashore (*strategy + business* #45)**

"Leadership is self-knowledge. Successful leaders are those who are conscious about their behavior and the impact it has on the people around them. They are willing to examine what behaviors of their own may be getting in the way. … The toughest person you will ever lead is yourself. We can't effectively lead others unless we can lead ourselves."*—Betsy Myers, *Take the Lead: Motivate, Inspire, and Bring Out the Best in Yourself and Everyone Around You

"How can a high-level leader like _____ be so out of touch with the truth about himself? It's more common than you would imagine. ***In fact, the higher up the ladder a leader climbs, the less accurate his self-assessment is likely to be.*** *The problem is an acute lack of feedback [especially on people issues]."*

—Daniel Goleman (et al.), ***The New Leaders***

"Work on me first."

—Kerry Patterson (et al.), ***Crucial Conversations***

"You will never change your life until you change something you do daily. ***The secret of your success is found in your daily routine."*** **—John C. Maxwell**

“The biggest problem I shall ever face: the management of Dale Carnegie.”

—Dale Carnegie, diary of

XLIV. Hit the Books. HARD.

"If I had to pick one failing of CEOs, it's that they don't read enough."

—Co-founder of one of the world's largest and successful investment services firms in the USA/world (from a dinner discussion—November 2013)

Some Stuff to Read NOW:
The (Utterly Insane*) (*And Getting Evermore Insane) New World Order

Let me be clear. This is my recent reading list … for me. There *is* rhyme and reason to it—it's an effort to try to at least stay close to the hyper-changing action. But it is NOT a systematic "best of" … in any way, shape, or form.

***Race Against The Machine: How the Digital Revolution Is Accelerating Innovation, Driving Productivity, and Irreversibly Transforming Employment and the Economy*—Eric Brynjolfsson & Andrew McAfee**
***The Second Machine Age: Work, Progress, and Prosperity in a Time of Brilliant Technologies*—Erik Brynjolfsson & Andrew McAfee**
***The Soft Edge: Where Great Companies Find Lasting Success*—Rich Karlgaard**
***Average Is Over: Welcome to the Hyper-Meritocracy*—Tyler Cowen**
***Big-Bang Disruption: A New Kind of Innovator Can Wipe Out Incumbents in a Flash*—Larry Downes & Paul Nunes**
***The Crowdsourced Performance Review: How to Use the Power of Social Recognition to Transform Employee Performance*—Eric Mosley**
***Addiction by Design: Machine Gambling In Las Vegas*—Natasha Dow Schüll**
***Antifragile: Things That Gain from Disorder*—Nassim Nicholas Taleb**
***Automate This: How Algorithms Came to Rule Our World*—Christopher Steiner**
***Big Data: A Revolution That Will Transform How We Live, Work, and Think*—Viktor Mayer-Schönberger & Kenneth Cukier**
***Conscious Capitalism: Liberating the Heroic Spirit of Business*—John Mackey & Raj Sisodia**
***Enough. True Measures of Money, Business, and Life*—John Bogle**
***Creation: How Science Is Reinventing Life Itself*—Adam Rutherford**
***Amped*—Daniel Wilson**
***Employees First, Customers Second: Turning Conventional Management Upside Down*—Vineet Nayar**
***Everything Bad Is Good For You: How Today's Popular Culture Is Actually Making Us Smarter*—Steven Johnson**
***Extra Lives: Why Video Games Matter*—Tom Bissell**
***Fab: The Coming Revolution on Your Desktop—from Personal Computers to Personal Fabrication*—Neil Gershenfeld**

***Fast Future: How the Millennial Generation Is Shaping Our World*—David Burstein**
***The Filter Bubble: What the Internet Is Hiding From You*—Eli Pariser**
***For the Win: How Game Thinking Can Revolutionize Your Business*—Kevin Werbach & Dan Hunter**
***The Gamification Revolution: How Leaders Leverage Game Mechanics to Crush the Competition*—Gabe Zichermann & Joselin Linder**
***How to Create a Mind: The Secret of Human Thought Revealed*—Ray Kurzweil**
***Join the Club: How Peer Pressure Can Transform the World*—Tina Rosenberg**
***Knowledge and Power: The Information Theory of Capitalism and How It Is Revolutionizing Our World*—George Gilder**
***The Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses*—Eric Ries**
***Loyalty 3.0: How Big Data and Gamification Are Revolutionizing Customer and Employee Engagement*—Rajat Paharia**
***Makers: The New Industrial Revolution*—Chris Anderson**
***Minecraft: The Unlikely Tale of Markus "Notch" Persson and the Game That Changed Everything*—Daniel Goldberg & Linus Larsson**
***Models Behaving Badly: Why Confusing Illusion with Reality Can Lead to Disaster on Wall Street and in Life*—Emanuel Derman**
***Better, Stronger, Faster: The Myth of an American Decline … and the Rise of a New Economy*—Daniel Gross**
***Numbersense: How to Use Big Data to Your Advantage*—Kaiser Fung**
***Open Services Innovation: Rethinking Your Business to Grow and Compete in a New Era*—Henry Chesbrough**
***The Org: The Underlying Logic of the Office*—Ray Fisman & Tim Sullivan**
***The Power of Co-Creation: Build It with Them to Boost Growth, Productivity, and Profits*—Venkat Ramaswamy & Francis Gouillart**
***Predictive Analytics: The Power to Predict Who Will Click, Buy, Lie, or Die*—Eric Siegel**
***Present Shock: When Everything Happens Now*—Douglas Rushkoff**
***Quiet: The Power of Introverts in a World That Can't Stop Talking*—Susan Cain**
***Reality Is Broken: Why Games Make Us Better and How They Can Change the World*—Jane McGonigal**
***Women and Gaming: The Sims and 21st Century Learning*—James Paul Gee & Elisabeth Hayes**
***Writing on the Wall: Social Media—the First 2,000 Years*—Tom Standage**
***The Everything Store: Jeff Bezos and the Age of Amazon*—Brad Stone**
***Rewire: Digital Cosmopolitans in the Age of Connection*—Ethan Zuckerman**
***Robot Futures*—Illah Reza Nourbakhsh**
***The Rise of the Creative Class*—Richard Florida**
***The Singularity Is Near: When Humans Transcend Biology*—Ray Kurzweil**

***The Shareholder Value Myth: How Putting Shareholders First Harms Investors, Corporations, and the Public*—Lynn Stout**
***The Signal and the Noise: Why So Many Predictions Fail—But Some Don't*—Nate Silver**
***Smart Business, Social Business: A Playbook for Social Media in Your Organization*—Michael Brito**
***Social Business By Design: Transformative Social Media Strategies for the Connected Company*—Dion Hinchcliffe & Peter Kim**
***The Social Employee: How Great Companies Make Social Media Work*—Cheryl Burgess & Mark Burgess**
***The Social Organization: How to Use Social Media to Tap the Collective Genius of Your Customers and Employees*—Anthony Bradley & Mark McDonald**
***The Social Conquest of Earth*—Edward O. Wilson**
***Taming the Big Data Tidal Wave: Finding Opportunities in Huge Data Streams with Advanced Analytics*—Bill Franks**
***Thinking, Fast and Slow*—Daniel Kahneman**
***Predictably Irrational: The Hidden Forces That Shape Our Decisions*—Dan Ariely**
***To Save Everything, Click Here: The Folly of Technological Solutionism*—Evgeny Morozov**
***Tubes: A Journey to the Center of the Internet*—Andrew Blum**
***Virus of the Mind: The New Science of the Meme*—Richard Brodie**
***The Meme Machine*—Susan Blackmore**
***Memetics: Memes and the Science of Cultural Evolution*—Tim Tyler**
***The Smart Swarm: How Understanding Flocks, Schools, and Colonies Can Make Us Better at Communicating, Decision Making, and Getting Things Done*—Peter Miller**
***Wait: The Art and Science of Delay*—Frank Partnoy**
***Wired For War: The Robotics Revolution and Conflict in the 21st Century*—P.W. Singer**
***You Are Not a Gadget: A Manifesto*—Jaron Lanier**
***Youtility: Why Smart Marketing is about Help not Hype*—Jay Baer**
***The Rise of the Expert Company—How Visionary Companies Are Using Artificial Intelligence to Achieve Higher Productivity and Profits*—Edward Feigenbaum, Pamela McCorduck, and Penny Nii**
***Redesigning Humans: Choosing Our Genes, Changing Our Future*—Gregory Stock**
***Wetware: A Computer in Every Living Cell*—Dennis Bray**
***Worm: The First Digital World War*—Mark Bowden**
***The Department of Mad Scientists: How DARPA Is Remaking Our World, from the Internet to Artificial Limbs*—Michael Belfiore**
***The Coming Jobs War*—Jim Clifton**
***Future Perfect: The Case for Progress in a Networked Age*—Steven Johnson**
***Not For Profit: Why Democracy Needs the Humanities*—Martha Nussbau**

Some (Other) (Very Good) Stuff to Read:
Mostly New, All Eternal Verities

***Better By Mistake: The Unexpected Results of Being Wrong*—Alina Tugend**
***Being Wrong: Adventures in the Margin of Error*—Kathryn Schulz**
***The Collaborative Habit: Life Lessons For Working Together*—Twyla Tharp & Jesse Kornbluth**
***The Cost of Bad Behavior: How Incivility Is Damaging Your Business and to Do About It*—Christine Pearson & Christine Porath**
***Choosing Civility: The Twenty-five Rules of Considerate Conduct*—P.M. Forni**
***Creative Confidence: Unleashing the Creative Potential Within Us All*—Tom Kelley & David Kelley**
***Crucial Confrontations: Tools for Resolving Broken Promises, Violated Expectations, and Bad Behavior*—Kerry Patterson, Joseph Grenny, Ron McMillan & Al Switzler**
***Crucial Conversations: Tools for Talking When Stakes Are High*—Kerry Patterson, Joseph Grenny, Ron McMillan & Al Switzler**
***Fierce Conversations: Achieving Success at Work and in Life, One Conversation at a Time*—Susan Scott**
***Listening Pays: Achieve Significance Through the Power of Listening*—Rick Bommelje**
***Power Listening: Mastering the Most Critical Skill of All*—Bernard Ferrari**
***Flow: The Psychology of Optimal Experience*—Mihaly Csikszentmihalyi**
***Fooled By Randomness: The Hidden Role of Change in Life and in the Markets*—Nassim Nicholas Taleb**
***Helping: How to Offer, Give , and Receive Help*—Edgar Schein**
***How to Win Friends and Influence People*—Dale Carnegie**
***Influence: The Psychology of Persuasion*—Robert Cialdini**
***The Leader Who Had No Title: A Modern Fable on Real Success in Business and in Life*—Robin Sharma**
***Management Lessons From Mayo Clinic: Inside One of the World's Most Admired Service Organizations*—Leonard Berry & Kent Seltman**
***Practice Perfect: 42 Rules for Getting Better at Getting Better*—Doug Lemov, Erica Woolway, and Katie Yezzi**
***Turn the Ship Around!: How to Create Leadership at Every Level*—David Marquet**
***What You Can Change And What You Can't: The Complete Guide to Successful Self-Improvement*—Martin Seligman**
***The Little Book of Talent: 52 Tips for Improving Your Skills*—Daniel Coyle**
***The Power of Positive Deviance: How Unlikely Innovators Solve the World's Toughest Problems*—Richard Pascale, Jerry Sternin & Monique Sternin**
***Retail Superstars: Inside the 25 Best Independent Stores in America*—George Whalin**
***Lords of Strategy: The Secret Intellectual History of the New Corporate World*—Walter Kiechel**

XLV. *The Second Machine Age*

by Erik Brynjolfsson and Andrew McAfee

"The greatest shortcoming of the human race is our inability to understand the exponential function."—Albert A. Bartlett (from Erik Brynjolfsson and Andrew McAfee, *The Second Machine Age,* "Moore's Law and the Second Half of the Chessboard")

The issue, circa 2014, is not "big change," it is

ACCELERATING **Big Change. Time to adapt is evaporating!**

"[Some argue] that the true work of innovation is not coming up with something big and new, but instead recombining things that already exist. And the more closely we look, the more this recombinant view makes sense."

TP: ***Creativity that matters is not predominantly of the "gee whiz" variety. Creativity is the ability to integrate stuff, a very different kettle of fish.***

"Organizational Coinvention" [coinvention of organization and technology]: "While a one-for-one substitution of machines sometimes occurs, a broader reorganization in business culture may have been an even more important path for skill-based change. ... [In some industries], each dollar of computer capital was often the catalyst for more than ten dollars of complimentary investments in 'organization capital.'"

TP: ***The new stuff is only part of the point. Complete re-invention of organizations and networks of organizations is the real payoff!***

“The greatest shortcoming of the human race is our inability to understand the exponential function.” **—Albert A. Bartlett (from Erik Brynjolfsson and Andrew McAfee, *The Second Machine Age*, “Moore’s Law and the Second Half of the Chessboard”)**

(1) Person interviewed by the authors re TurboTax: "No way. I don't use an H&R Block tax preparer any more. I've switched to TurboTax software. It's only $49 and much quicker and more accurate." Brynjolfsson and McAfee: "The creators of TurboTax are better off—but tens of thousands of tax preparers now find their jobs and incomes threatened."

(2) CEO interviewed by the authors says he installed new infotech equipment before the Great Recession, but did not cut payroll when profits were soaring. And then: "When the recession came, business as usual was obviously not sustainable, which made it easier to implement a round of painful streamlining and layoffs. As the recession ended and profits and demand returned, the jobs doing routine work were not restored."

(3) "For most of the nineteenth and twentieth centuries, employment usually rebounded after each recession, but since the 1990s employment didn't recover briskly after recessions. It's not coincidence that as the computerization of the economy advanced, post-recession hiring patterns changed."

TP: ***These three quotes are the heart of the matter.***

"Every digital app developer, no matter how humble its offices or how few its staff, almost automatically becomes a micro-multinational, reaching global audiences."

“The Gross National Product does not include the beauty of our poetry or the intelligence of our public debate. It measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion. It measures everything, in short, except that which makes life worthwhile.” **—RFK**

TP: GDP is an important measure. PERIOD. But it ain’t the whole ball game—not by a long shot!

Race AGAINST The Machine:
How the Digital Revolution Is Accelerating Innovation, Driving Productivity, and Irreversibly Transforming Employment and the Economy

by Erik Brynjolfsson and Andrew McAfee

"The root of our problem is not that we're in a Great Recession or a Great Stagnation, but rather that we are in the early throes of a Great Restructuring. Our technologies are racing ahead, but our skills and organizations are lagging behind."

"The median worker is losing the race against the machine."*—Erik Brynjolfsson and Andrew McAfee, *Race Against the Machine

"... breakage of the historic link between value creation and job creation ..."/Great Recession: "... lack of hiring rather than increase in layoffs ..."

40 Years: Median inflation-adjusted wages, men 30-50 with jobs, 1969-2009: $33K, -27%—"The Slow Disappearance of the American Working Man," *Bloomberg Businessweek*/08.11.13

The "U-shaped Curve" Phenomenon:

High-skilled: Waaaaay Up!!!
Low-skilled: Stable/Up.
Middle: Down/Down/Down.

TP: Yikes.

XLVI. So I Missed By 5-10 Years. SO WHAT? Thrive Through "WOW. NOW." Or else. (Not Pretty.)

I SAID 2015.
It looks more like it'll be 2020, maybe 2025.

Self-congratulatory remarks are to be avoided like the plague. Nonetheless, I must acknowledge that I began the 22 May 2000 *Time* cover story I authored ("What Will We Do For Work?") with this: *"I believe that ninety percent of white-collar jobs in the U.S. will be either destroyed or altered beyond recognition in the next 10 to 15 years."* The three causes I enumerated were "destructive" (game-changing) competition, technology/artificial intelligence (algorithmic substitution), and globalization/outsourcing.

The prior year, 1999, I had published a three-book set, jointly called "The Work Matters." The three:

The Project50: Fifty Ways to Transform Every "Task" into a Project That Matters!

The Brand You50: Fifty Ways to Transform Yourself from an "Employee" into a Brand That Shouts Distinction, Commitment, and Passion!

The Professional Service Firm50: Fifty Ways to Transform Your "Department" into a Professional Service Firm Whose Trademarks Are Passion and Innovation!

In 2014, this 3-pronged revolution has not progressed as much as I supposed. But there is little doubt that the acceleration of change will more or less bring it to its (frightening) apex in the next 5-10 years.

But why oh why oh why must it be "frightening"? Why not …

Liberating?

Fun?

Exciting?

Wall-To-Wall/Floor-To-Ceiling WOW?

Though a word would be changed here and there if the pub date was 2014 instead of 1999, the logic would not have changed one dollop. There was a quote I used in 1999: "A bureaucrat is an expensive microchip."

Indeed. (Or: WHOOPS.)

And the answer? Or, rather … **THE** **… answer is … in my (not so) humble opinion … scintillating portfolios ofHigh Value Added/WOW Projects. Those projects would be manned (and womaned) by free=spirited, imaginative people, who I label Brand Yous. And the configuration of these groups would mimic, in my (not so) humble opinion, something not so new; namely professional service firms.**

To use my shorthand:

WOW Projects +

Brand You(s) =

Supercalifragilisticexpialidocious PSFs.

I will go a step further in this space and provide the three "50 Lists." I'll just use the item titles, which will at times be a bit too shorthand-ish. But I'm sure you'll get the drift:

The Project 50:
ALL Work Becomes "WOW Projects"

I. Create!

What's with this so-called "inventing"/"finding" a WOW! Project? You get an assignment, right?

1. Reframe: Never ... Ever! ... Accept a project/assignment as given!

2. Translate your daily experiences into cool stuff to do.

2A. Become a Benchmarking Fanatic: Look at every-small-thing-that-happens-to-you as a Golden Learning Opportunity.

3. Improve your vocabulary! Learn to love "WOW!" Use "the word." WOW!

4. There are no "small" projects: In every "little" form or procedure, in every "little" problem there usually lurks a B-I-G Project!

4A. Convert today's annoying "chore" into a WOW! Project. The B-I-G Idea: There's no such thing as a "GIVEN."

5. Put on the brakes! Don't betray WOW!

6. Love makes the world go 'round!

7. Will it—the project, our baby—be beautiful? Yes ... beautiful!

8. Design-Is-It. I.e.: One of the single most powerful forces in the whole bloody universe.

9. Is the project revolutionary? (Are you sure?)

10. Is the Web factored into the project? In a B-I-G way?

11. Impact. Henry James asked this, as his ultimate question, of an artist's work: "Was it worth doing?"

11A. Made anybody(s) angry lately?

12. Raving Fans!

12A. Women-as-Raving Fans. Women take to products/services—and, thence, "project deliverables"—for (very) different reasons than men.

13. Pirates-on-the-high-seas. "We" are on a Mission/Crusade. We plan to upset the applecart (convention wisdom) Big Time ... and Make a Damn Difference.

14. If you can (hint: you can!), create a "place." That is ... pirates need ships at sea and caves on land. ("Safe houses" in spy-speak.)

15. Put it in your resume. Now! Picture yourself crossing the finish line.

16. Think RAINBOW!

17. Think ... or rethink ... or reframe ... your concept ... Into a "business plan."

18. Think/obsess ... D-E-A-D-L-I-N-E. Be ridiculously/absurdly/insanely demanding of yourself/your little band of renegades.

19. Find a Wise Friend. WOW Projects Ain't Easy! They Stretch You, Stress You, and Often Vex You. And the Organization.

20. Find—and then nurture—a few (very few) co-conspirators.

20A. Find at least one user/co-conspirator. NOW. Think user from the start.

21. Consider carrying around a little card that reads:

WOW!
BEAUTIFUL!
REVOLUTIONARY!
IMPACT!
RAVING FANS!

II. Sell!

Who ever heard of a "sales" chapter in a "project management" book?

"Damn few" is the answer. (None?) And therein lies the problem. WOW! Projects must be sold ... to team members, higher-ups, freaky first-users, and ultimately customers-at-large. Learning to s-e-l-l is a hefty part of the battle; it forces clarity, focus, drive, faith.

22. Be S-U-C-C-I-N-C-T. Describe your project (its benefits and its WOW!) in T-H-R-E-E minutes.

22A. Metaphor time! The "pitch"—and every aspect of the project—works best if there is a compelling theme/image/hook that makes the whole thing cohere, resonate, and vibrate with life.

23. Sales means selling ... Everyone!

24. Hey: WOW! Project Life = Sales. Right? So ... work consciously on BUZZ. Get visible and stay visible.

25. Do your "Community Work." Start to Expand the Network! A.S.A.P.

26. Last is as good as first. If they support you ... they are your friends.

27. Preach to the choir! Never forget your friends!

28. Don't try to convert your enemies. Don't waste time on them.

29. Create an A-Team Advisory Board.

30. Become a Master Bootstrapper. You heard it here first: Too much initial money ... kills!

31. Think B-E-T-A! As in ... Beta Site(s). You need customer-partners ... as safe-haven testing grounds for rough prototypes.

III. Implement!

Implementation means a detailed plan. Right? Right! Clear assignments of responsibility? Right again! But ... again ... that's little more than the least of it.

32. Chunk! Chunk! Chunk! We've gotta break "it"—our project, now on the move—down into tidbit/do-it-today/do-it-in-the-next-four-hours pieces.

33. Live ... Eat ... Sleep ... Breathe: Prototype! I.e.: Become an unabashed Prototyping Fanatic.

33A. Teach prototyping. Prototyping is a "corporate culture" issue. I.e.: Work to create a Culture of Prototyping.

34. Play! Find playmates!

35. Scrunch the Feedback Loops!

36. Blow it up! Play ... and Destruction ... are handmaidens.

37. Keep recruiting! Iron Law: WOW Projects call for WOW! People. Never stop recruiting!

37A. Wanted: Court Jester.

38. Make a B-I-G binder! This is the Project Bible. It's the Master Document ... the macro-map.

39. List mania. Ye shall make lists ... and the lists shall make ye omniscient. (No joke.)

40. Think (live/sleep/eat/breathe) Timeline/ Milestones.

40A. Wanted: Ms. Last Two Percent!

41. Master the 15-Minute Meeting. You can change (or at least organize) the world in 15 minutes!

42. C-E-L-E-B-R-A-T-E!

42A. Celebrate failures!

43. Station break! The keynote here is action. Exactly right! But: Don't allow the action fanaticism to steer you off course re WOW!/Beauty/Revolution/Impact!/Raving Fans.

44. A project has an Identity. It's alive. Project = Life ... Spirit ... Personality.

45. Cast the net a little/lot farther afield.

46. It's the U-S-E-R, stupid! Never lose sight of the user community.

47. Concoct a B.M.P./Buzz-Management Program. Marketing is Implementation.

IV. Exit!

A time to each and every thing!

48. SELL OUT! It's been "us" against "them" ... and one heck of a ride. But now the time has come to dance with the suits ... if we really want full impact.

48A. Recruit a Mr. Follow-up ... who is as passionate as you are! (And L-O-V-E-S Administration.)

49. Seed your freaks into the mainstream ... where they can become mutant viruses for your (quirky) Point of View!

50. Write up the project history. Throw a Grand Celebratory Bash!

The Brand You50
"Distinct" or … "Extinct"

Or: Fifty ways to transform yourself from an "employee" into a brand that shouts distinction, commitment, and passion!

1. It's up to you ... and you alone. Coping rests on your shoulders. Forget "they." This is your life. Period.

1A. When was the last time you asked: *What do I want to be?*

2. You've gotta! Finally: It's the White Collar Revolution! You have no option:

The White Collar Revolution is about to swallow me/you/us!

3. Answer (my best) (my only????) to the "White Collar Revolution": Brand yourself.

3A. Holy Toledo! Brand You magnified. What if we each had personal "Market Cap"?

4. Start now: Use some subset of these four—very practical!—Brand You assessment tools:

One: Make a Personal Brand Equity Evaluation.
Two: Develop a one-eighth (or one-quarter) page Yellow Pages ad for Brand You/Me & Co.
Three: Create an eight-word Personal Positioning Statement.
Four: How about a bumper sticker that describes your essence?

4A. We need a snapshot!

5. Forget "job." Forget "tasks."

5A. Commit yourself wholeheartedly to ... the Project Life.

6. Package yourself. Axiom: You (Me!) are a package!

7. "INC." yourself.

8. Brand You/Me Inc. is about what you value.

9. Brand You/Me Inc. requires a rich portfolio of attributes and skills.

9A. The big hat rack! Another take: Brand You warriors must wear lots of hats.

10. Ready to play the great game of business?

11. Give the world a clear picture of who you are.

12. Think job title!

13. You are what you do.

14. Message to Brand You wannabe: Embrace real-world politics of implementation.

15. Turn crappy "little tasks" into gold. (VCJ: Volunteer for Crummy Jobs.)

15A. Work with what you've got! (Damn it!)(And make it special.) (Damn it!)

16. Master bootstrapping.

17. The Brand You nub: A sterling portfolio of WOW! Projects.

17A. You are the "WOW!-ness" of every project.

18. Focus. Clutter kills WOW.

19. You Are Your Clients I: Think Client.

20. You Are Your Clients II: Obsess on Clients.

21. Competence. You (Me!) have got to be noticeably good at S-O-M-E-T-H-I-N-G.

22. You Are Your Rolodex I. Manage the hell out of your community/network! Brand You is personal. But it's not a loner's world.

22A. Loyalty. New loyalty. Not "logo loyalty." But Rolodex loyalty. Network loyalty. Community loyalty. Extended family loyalty.

23. You Are ... Your Rolodex II. You are as broad/wise as your collection of freaks!

24. Design matters! The Big Idea: You (as in Brand You) are a designer. Period.

25. Become a "line extension" master.

26. You are your "Big Ideas."

27. To steer Me Inc. through the white water of change is to dare. Daily.

28. Submit to the performance.

(29. B-o-s-s-e-s: Brand You should be your cup of tea!)

30. Identity!

31. Remember: a brand is a "trust mark."

32. Obsess on your calling cards! It all starts when/where it starts.

33. Build a website that wows. (Period.)

34. Join Toastmasters. You are your own P.R. "Agency."

35. How about learned optimism? Spreaders of gloom are rarely—never!?—successful Brand Yous.

36. Renew! Renew! Renew! Renewal = Job 1 For Brand You. Period.

37. Invest in yourself. A formal Renewal Investment Plan (R.I.P.) is a must!

38. Whet your appetite. Again. Again. And yet again. Learn from ... anyone. Anywhere. Any time. BECOME A SPONGE ... for Cool Stuff. (Work on exposing yourself to Cool Stuff.)

****

A 50LIST WITHIN A 50LIST: THE RENEWAL50

1. *Go to the nearest magazine shop.* Now. Spend 20 minutes. Pick up 20—twenty!—magazines. None should be ones you normally read. Spend the better part of a day perusing them. Tear stuff out. Make notes. Create files. Goal: Stretch! Repeat ... monthly ... or at least bimonthly.

2. *Go to the Web.* Now. Relax. Follow your bliss! Visit at least 15 sites you haven't visited before. Follow any chain that is even a little intriguing. Bookmark a few of the best. Repeat ... at least once a week.

3. *Take off this Wednesday afternoon.* Wander the closest mall ... for two hours. Note the stuff you like. (And hate.) Products, merchandising, whatever. Repeat ... bimonthly.

4. *Buy a packet of 3 x 5-inch note cards.* Carry them around with you. Always. Record cool stuff. Awful stuff. Daily. Review your card pack every Sunday. (*Obsess on this!*)

5. ***Going the same place for vacation next year?*** **Why not someplace new? Why not one of those university-sponsored 12-day trips to explore some weird phenomenon?**

6. ***Project stuck in a rut?*** **Look through your Rolodex. Who's the oddest duck in there? Call her/him. Invite her/him to lunch. Pick her/his brain for a couple of hours about your project.**

7. ***Create a new habit: Visit your Rolodex.*** **Once a month. Pick a name of someone interesting you've lost touch with. Take her/him to lunch ... next week.**

8. ***New habit: You're in a meeting.*** **Someone you don't know makes an interesting contribution. Invite him/her to lunch ... in the next two weeks.**

9. ***You run across somebody interesting.*** **As a matter of course, ask her (him) what's the best thing she/he's read in the last 90 days. Order it from Amazon.com ... this afternoon.**

10. ***Take tomorrow afternoon off.*** **Rain or shine. Wander a corner of the city you've never explored before.**

11. ***Go to the local Rite Aid.*** **Buy a $2 notebook. Title it *Observations I*. Start recording. Now. Anything and everything. (Now = Now.)**

12. ***Going out this Saturday night?*** **Go some place new.**

13. ***Having a dinner party next Sunday?*** **Invite somebody—interesting—you've never invited before. (Odds are, he/she won't accept. So what? Go for it. It's just like selling encyclopedias. No ring doorbell = No sale.)**

14. ***Go past a kiosk advertising local Community College Courses for this fall.*** **(Or one of the Learning Annex catalogues.) Grab a copy. Look it over this evening. Pick a couple of interesting courses and topics you've always wanted to know more about. Call the professor (with a little detective work, you can find her). If you're intrigued, sign up and ... at least ... go to the orientation session.**

15. ***Read a provocative article in a business journal.*** **Triggers a thought? Email the author. So what if you never hear back? (The odds are actually pretty high that you will. Trust me.)**

16. ***At church this Sunday, the pastor announces a new fund drive.*** **Sure you're busy. (Who isn't?) Go to the organizing meeting after services. Sign up!**

17. ***You're working with your 13-year-old on his science project.*** **You find you're having fun. Go to school with him tomorrow ... and volunteer to talk to the class about the topic.**

18. ***A crummy little assignment comes along.*** **But it would give you a chance to work with a group of people you've never worked with before. Take the assignment.**

19. ***You're really pissed off at what's going on in your kid's school.*** **So run for the school board.**

20. ***You aren't really interested in changing jobs.*** **But there's a neat job fair in the next town this weekend. Go.**

21. ***An old college pal of yours invites you to go on a long weekend by the lake.*** **You never do things like that. Go.**

22. ***A really cool job opening overseas comes up.*** **It fits your skill set. You couldn't possibly consider it. You've got a nine-year-old and your husband is content with his job. At least call someone ... and find out more about it.**

23. ***You're on the fast track.*** **But a fascinating job opens up ... far away. It looks like a detour. But you could learn something really new. Really cool. Go talk to the guy/gal about it. (Now.)**

24. ***The eighth grade teacher is looking for chaperones for the trip to the natural history museum.*** **You're a law firm partner, for God's sake, making $350,000 a year. Volunteer.**

25. ***You love taking pictures.*** **You pick up a brochure advertising a four-day photography workshop in Maine next summer. Go to the workshop.**

26. ***A friend of yours, a small-business owner, is going to Thailand on a sourcing trip.*** **She invites you to join her. Go.**

27. ***There's a great ball game on ESPN in an hour.*** **Forget it. Go on that walk you love ... that you haven't taken for a year.**

28. ***I'm not much on planning.*** **But how about sitting down with your spouse/significant other and making a list of three or four things you've "been meaning to do" that are novel ... then coming up with a scheme for doing at least one of them in the next nine months?**

29. ***You've a-l-w-a-y-s wanted to go to the Yucatan.*** **So at least call a travel agent ... this week. (*How about right now?*)**

30. ***You know "the action is at the front line."*** **Spend a month (two days a week) on a self-styled training program that rotates you through all the front-line jobs in the hotel/distribution center/whatever.**

31. ***Ask a first-line supervisor who the most motivated clerk in the store is.*** **Take him/her to lunch ... in the next three weeks.**

32. ***You spot a Cool Article in the division newsletter.*** **Call the person involved. Take her/him to lunch. Tomorrow. Learn more. (Repeat.) (Regularly.)**

33. ***You and your spouse go to a great play this Saturday.*** **On Monday, call the director and ask him/her if you can come by and chat some time in the next two weeks. (If the chat goes well, ask her/him to come in and address your 18 colleagues in the Accounting Dept. at a Brown Bag Lunch Session later this month.)**

34. ***Institute a monthly Brown Bag Lunch Session.*** **Encourage all your colleagues to nominate interesting people to be invited. Criterion: "I wouldn't have expected us to invite ____."**

35. ***Volunteer to take charge of recruiting for the next year/six months.*** **Seek out input/applications from places the unit has never approached before.**

36. ***Consider a ... four-month sabbatical.***

37. ***Get up from your desk.*** **Now. Take a two-hour walk on the beach. In the hills. Whatever. Repeat ... once every couple of weeks. (Weekly?)**

38. ***Seriously consider approaching your boss about working a day a week at home.***

39. ***Take the door off your office.***

40. ***You've got a couple of pals who are readers.*** **Start a Reading Group that gets together every third Thursday. Include stuff that's pretty far out. (Invite a noteworthy local author to talk to your group now and again.)**

41. ***Join Toastmasters.*** **(I know it's a repeat. It's important!)**

42. ***Pen an article for the division newsletter.***

43. ***In the quarterly alumni magazine, you read about a pal who's chosen to do something offbeat with her life.*** **Call her. Tomorrow. (Or today.)**

44. ***Buy that surprisingly colorful outfit you saw yesterday.*** **Wear it to work. Tomorrow.**

45. ***Develop a set of probing questions to use at meetings.*** **"Will this really make a difference?" "Will anybody remember what we're doing here two years from now?" "Can we brag to our spouse/kids about this project?"**

46. ***Assess every project you propose by the "WOW!"/"Is it Worth Doing?" criteria.***

47. ***Call the Principal Client for your last project.*** **Ask her to lunch. Within the next two weeks. Conduct a no-holds-barred debriefing on how you and your team did ... and might have done. Now.**

48. ***Call the wisest person you know.*** **(A fabulous professor you had 15 years ago?) Ask her/him to lunch. Ask her/him if he or she would be willing to sit with you for a couple of hours every quarter to talk about what you've done/where you're going. (Try it. It can't hurt.)**

49. ***Become a Cub Scout/Brownie troop leader.*** **Or direct your kid's play at school. The idea: Spend more time around children ... they're fascinating ... spontaneous ... and wise.**

50. ***Build a great sandcastle!***

****

38A. Love the plateau. Learning—the essence of Brand You—is not a smooth ride. (You get stuck at times.)

39. Me Inc. needs a great board of directors.

40. Brand You/Me Inc. needs a front line university to call your own.

41. Never neglect the Talent Scout Mode ... even if you are a junior individual contributor.

42. Make our/my/your "organization"—Me & Co., Brand You—special from the get-go!

43. Brand Yous lead! At all ages!

44. Become a "power freak."

45. What's your formal word-of-mouth marketing plan?

45A. P-l-e-a-s-e answer: Do I r-e-a-l-l-y have a "product"?

46. One woman/man global powerhouse is not an oxymoron in the new millennium.

47. Sell!

48. Are you a "closer"? Brand Yous have got to "ask for the business."

49. Brand Yous are dis-loyal! (To a particular corporate logo.)

50. Welcome to Free Agent Nation.

PSF50:
The Professional Service Firm Is Exclusively Devoted to High Value Added Work
(A Sparkling Collection of WOW! Projects)

I. PSF = Inc. + Clients + WOW Projects!

1. Think "Inc."

It all starts in your head. Imagine: You are no longer "HR Director." You are Managing Partner/Managing Director of HR Inc. ... a wholly owned subsidiary of the "ABC Division" of the "XYZ Corp."

1A. Commit "Cool."

2. Think (*eat ... sleep ... breathe ... talk up*) C-L-I-E-N-T. Period. Client service is *the* name of *the* game.

3. Select Clients very carefully. It's axiomatic: You're as good—or as bad—as the character of your Client List. In a very real sense, you *are* your Client List!

3A. Seek out Clients who are Leaders.

3B. F-I-R-E Clients ... upon occasion.

4. Turn e-v-e-r-y "task" into a ... Project. PSF = Client. PSF = Project.

4A. The Work Matters!

5. Become a Catalyst for Revolution. (Why not?) (What else?)

II. Portfolio Quality!

6. Visit every client. Initiate a "deep" and ongoing dialogue with ... *every* ... client.

7. Create an immodest Current Projects List. You—Dept. head turned Managing Partner of HR Inc. (Etc.)—*are* your Project List.

8. You are a Venture Capitalist. I.e.: What does your "project list"/"project portfolio" *add up to*? Is it exciting? (How exciting?) Is it bland?

9. Conduct a weekly—or a more frequent—formal Current Projects Review. The project-list-is-us. So ... now we've got to start managing the Hell out of it.

9A. Words ... matter. E.g.: "Engagement."

III. Impact!

10. Transform every "Job" into a WOW! Project.

11. Never EVER Compromise Your Identity.

12. Pursue ... P-A-S-S-I-O-N.

13. MEASURE: Did we make an impact?

14. Tom's Epithet No.1: "Thoroughly professional ... but not provocative." The pressing question: Was it far enough out? Was it—our work—as "crazy" as these (clearly) crazy times demand?

15. L-E-A-D your Client!

16. Another-flavor-of-WOW: Politics. PSF mantra: We are *not* scornful of the grubby "politics of getting things done." We embrace them as the *sine qua non* of effective implementation.

17. PSF success boils down to ... the fine art of balance.

18. Accounting (etc.) is a performing art.

19. Speaking of accounting ... remember the bottom line: "Business-ing."

20. Got any quirky projects on the list? If you want some "great stuff" to happen ... well ... you have absolutely no alternative: Your portfolio has to include some Truly Freaky Stuff.

21. Think ... LEGACY. Question to ask yourself: "What—if anything—will my three years as Managing Partner of Purchasing Inc. be remembered for?"

22. Pitch in ... or bail out!

22A. Practice serial monogamy. Or: "One" is a beautiful word!

23. PSFs need Vision Statements. Period.

23A. We *help* people!

IV. Live With 'Em!

24. Make Clients an integral part of every project team.

24A. Cohabit with the Client!

24B. Turn the Client into an expert! Openly, purposefully share your knowledge and wisdom.

24C. Engage Clients in a measured "risk progression" process.

25. Insist ... that Clients submit a formal evaluation of "your people" (and "their people") at the end of each project.

25A. Think external. Think independent.

26. Client-centric = PSF Imperative. Period. But don't lose your independent voice. Think Client. AND: Stay autonomous.

27. Bring in wild and wooly outsiders. E-x-p-a-n-d the box.

V. A Culture of Urgency!

28. Create a "sense of urgency"/"excitement"/"vibrancy"/"buzz."

29. Hot Teams thrive in Hot Spaces!

30. Celebrate ... constantly. Celebrate any success.

30A. Projects-worth-doing are bumpy. There are bad days at the office. Dealing with the emotional roller coaster called PSF-on-a-Holy-Mission takes thoughtful effort!

30B. You need a clown!

31. Love thy "support staff."

32. You need a rabid scheduler! Project(s) Life = Deadline Life. Each project—in the unit as a whole/the PSF—needs a "deadlines/scheduling/milestones freak."

32A. We're in this for the money! WOW is the Point. But ... big "but" ... it must be Work Worth Paying For. So ... charge appropriately.

33. Pay attention to the "hard stuff" ... e.g.: methodology.

34. Embrace marketing.

VI. Knowledge-Is-Us!

35. Become a Research & Development Evangelist.

35A. Devote a sizable share of effort/revenues to Knowledge Development.

36. Turn your current portfolio of projects into a ... Research & Development playground/gold mine.

37. Think ... DESIGN. Are "beauty"/"grace"/"elegance" operative words ... relative to every project?

38. Evaluate the possible bases of PSF Competitive advantage. Nobody—and no PSF—is "great at everything." The essence of PSF market strategy and positioning is "Know thy strengths." (And weaknesses.)

VII. Talent!

39. T-H-I-N-K ... connoisseur of talent. Professional Service Firm = Talent. Period.

39A. We want to be a Magnet for Talent.

40. Cherish instability! Mix up teams!

40A. Mix redux: Encourage turnover!

41. Demand that every PSF member be known for ... something.

41A. Admiration beats affection.

42. Champion passion. Champion perfection.

43. Create stories/mythology around "project winners."

44. T-R-A-I-N. Teach the "Professional Service Firm Basics" ... with a vengeance.

45. Provide "project management-leadership" opportunities ... A.S.A.P.

46. Cherish great listening skills.

47. Geeks—the antisocial, masterful diggers-of-obscure-facts—should be adored!

48. Challenge! Challenge! Challenge! Demand ... the impossible. From everyone. (Obviously: starting with yourself.)

VIII. It's Ours!

49. Think ... Dream ... Act: WOW! Beauty! Impact! Distinction!

50. We own this place! The mantra-to-end-all-mantras in PSF-land: "We *are* HR Inc. This is *our* joint. It is *our* life. *We* are in charge. Excellence is in *our* hands ... to choose ... or lose."

XLVII. Education RE-BOOT:

Full SteAm Ahead!

Science

Technology

Engineering

Mathematics

Science

Technology

Engineering

Arts

Mathematics

“Human creativity is the ultimate economic resource.”

—Richard Florida

“Every child is born an artist. The trick is to remain an artist.”

—Picasso

“Creativity can no longer be treated as an elective.” **—John Maeda**

It is commonplace when discussing education (frequently described as the imperative—though unrealized—National Priority #1) to obsess on math proficiency and, more broadly, STEM (Science Technology Engineering Mathematics). STEM is no doubt significant to a landscape being transformed by technology. Yet I vehemently favor the formulation labeled STEAM. (President John Maeda of RISD/Rhode Island School of Design coined the new flavor.) The "A" that's added to STEM is for the Arts. "The arts" are not merely about being "well rounded" or some such; they are to some extent "what's left" as AI/robotics vacuum up traditional high-end "knowledge work" occupations. Consider the world's most valuable company—Apple. While its "T" and "E" (tech/engineering) are exceptional, it is the "A" that has made all the difference—or, rather, the A ingeniously blended with S, T, E, and M.

***"Microsoft never had the humanities or liberal arts in its DNA."*—Steve Jobs**

The (partial) logic behind adding an "A" to STEM:

"I believe that ninety percent of white-collar/"knowledge-work" jobs (which are 80 percent of all jobs) in the U.S. will be either destroyed or altered beyond recognition in the next 10 to 15 years."

—Cover story/*Time*/22 May 2000/Tom Peters

The (VERY) Best and (VERY) Brightest

The very best and the very brightest and the most energetic and enthusiastic and entrepreneurial and tech-savvy of our university graduates must—must, not should—be lured into teaching!

Finding and educating these new-criteria teachers requires a revolution in both content and the incentive structure needed to attract the best of the best—*and to induce them to experiment boldly once aboard the education train.*

In my opinion, the impact of the new technologies is such that we need a very young teacher corps—one that has the demographics and restless mindset of Facebook or Twitter or Google new-hires.

(I had no intention of writing anything like this [a short 2013 paper], but as I wrote I found myself almost pounding the keyboard into mush. Like it or not, complex problems call for complex solutions. Yet I am coming to see the "simple" solution of BBFs/Best & Brightest & Feistiests, as I am now calling them, becoming the base for a transformed teacher corps as a national necessity on a par with national security; in fact, obviously, it is an issue of national security.)

Education Manifesto 2014*

(*Good news from a competitiveness standpoint: Nobody's got it right. YET.)

RADICAL curricular revision imperative.*

(*STEM/STEAM./Creativity & Entrepreneurialism must be encouraged rather than suppressed.)

RADICAL digital strategy.*

(*There is … NO WAY TO OVERDO THIS.) (**Re-read: NO WAY.***)**
(*Good news: Kids are doing this on their own.)**

REVOLUTIONARY new approach to teacher recruitment/development.* (*BEST of the BEST [for a few years] … or else.)

RADICAL re-assessment of tertiary education—e.g., "MOOC-ization."* (*Four-year residential degree not centerpiece.)

RADICAL re-assessment business ed.

RADICAL role re-assessment by corporations.*

(*CORPORATIONS TAKE THE LEAD ON EDUCATION … or else.)

FYI: I make no apology for nor do I think it is hyperbole to repeatedly use the word "RADICAL." Less than RADICAL … "not optional."

Tertiary Education, "Soft Stuff," Liberal Arts

A pox on fools who dismiss the power of college degree, circa 2014, as "so yesterday." E.g., age 25-32, difference annual income, degree vs no degree: $17,500.

Nick Smit: "I agree Dr Tom. I'm however in favor of radically different approach to tertiary learning that keeps depth of learning substance."

I agree [re re-design] 100%. I am, among other things, a RMOOC/Radical MOOC-ist. BUT ... for now, regardless, basic point re income/job type advantages holds.

AND ... bigger practical point is …

post-tertiary ed … i.e., RADICAL commitment to lifelong learning!

Nick Smit: "Degrees should be licensed for 5 yrs. Then re-cert. Booyaaah. Always evolving learning."

David Spellman: "All best wishes and thanks to tom_peters: you should see the faces of my college students light up when they first hear of MBWA."

At "elite"" schools they yawn at such "soft bullshit."
(Now there's a blast of cynicism.)

David Spellman: "I was a CEO for 6 years and did MBWA, on all 3 shifts, on all 7 days. 'Soft bullshit' was why my tenure was a roaring success."

Amen, brother: I've spent the last 35 years of my life on selling the power of … "soft bullshit"!

Todd Hall: "How does MBWA work in a virtual organization?"

Long answer required. One part, as leader, is many many frequent flyer miles!

If you believe application of Big Data to HR is "the breakthrough we've long awaited," you are a sick puppy.

Big Data is invaluable in general—and to HR. Problem occurs when it gravitates invisibly from "useful" to "Gospel"—which, alas, is almost inevitable.

Two "C-level" jobs across the hall from one another: Chief Big Data Officer.
Chief Big Data Cold Water Thrower Officer. Equal authority.

Clever Trout (Twitter I.D.): "There should be no argument that HR needs to modernize, and using 'data' (big or small) can be helpful."

"Helpful," by all means. But dictatorial is a different kettle of fish.

Re power of "soft stuff": Creating fabulous customer-employee experiences is invaluable. The well-kept secret: 10% big investments, 90% cumulative "little" gestures. (Also note that superb employee experience takes precedence over customer experience. 2nd doesn't stick unless 1st is rock solid.)

Chris Kernaghan: "I can agree; I was bowled over by a nice note from housekeeping who saw our wedding anniversary cards in our room."

Tim Fargo: "Do you think alternate 'internship' idea is viable? If not, why not?"

Tim Fargo: "There's built-in bias in those [post-college] income numbers & past performance; no guarantees for future."

No guarantees in life. But [degree] is hell of a start off the blocks. Forget #s per se. Salary numbers are doubtless decent surrogate for job quality.

Lots of alternatives. But for now, if parent, facts is facts--& I'll stretch myself to the max to support my kid's college DEGREE.

Emmanuel McDaniel: "I have to agree with Tim [Fargo]. In an age where 'good enough to pass' has become the norm, degrees don't impress me."

With respect, don't care if you're impressed. Big Data say $25K vs $17K, which signifies better job/start.

Tim Fargo: "The current system is quickly becoming questionable ROI. Love idea of biz giving top HS students internships. Break the cycle."

Dan Purdy: "Don't be fooled by outliers like yourself Emmanuel. You are 6 sigma; tail of the normal curve & not mean."

Dan Purdy: "It's not just salary. Real show stopper = 3.8% unemployment rate for college grads vs 12.2% without."

AND: 3.8% college grad unemployment is effectively zero when you take into account average "normal times" share of people between jobs.

If I am a parent, I will BEG the kid to get the degree—circa 2014. I'm playin' the stats, Tim.

Still, at age 71, & pretty secure, I luv luv luv my 2 scraps os paper with "Cornell" at the top & my other 2 with "Stanford" at the top. The credentials per se are still valuable!

To be perfectly honest, I think the "there's little value in a degree" stuff is elitist bullshit.

Emmanuel McDaniel: "That being said, medical, law, and engineering degrees still truly valuable. Too many Lib Arts majors at McDonald's."

If God loves me, I'll never again hear/read "There are too many liberal arts majors." Nauseates me.

Stanford's president, an engineer, is moving heaven and earth to revitalize liberal arts. I pray he succeeds.

Liberal arts/ humanities: What it means to be civilized. Humanity's bedrock. Long live the B.A.

In an age where algorithms will do a lot of the quant stuff, there's a decent chance there will be a jump in value of liberal arts.

Tim Fargo: "For certain careers, the degree is pretty much essential. But there is an implied promise in a degree which is a lie for many."

Cary Cooper: "Science &tech are useless without social science Behavior change is fundamental 2 get ppl 2 accept sci/tech innovation."

Nick Smit: "I believe MBA BBA Commerce degrees must have subjects like sociology/psychology/geography."

Peter Drucker's response to "most important contribution": *"I focused this discipline on people and power; on values, structure, and constitution; and above all, on responsibilities—that is, I focused the Discipline of Management on management as a truly liberal art."* (18 January 1999)

Kenin Meyer: "Some of my best and broadest thinking (and best speaking) tech managers got their start with a liberal arts degree."

Beyond the starting gate, future success in today's/tomorrow's world demands ...

OBSESSED-STUDENT-FOR-LIFE!

Please remember in "destroy everything" frenzy, you mess w/ societal bedrock. "The academy" goes back to Greeks; upon it rests civilization.

Bhoopalan Padua: "Great! However just don't stop with only Western Universalism. Look deep at Dharmic and other Eastern paradigms and cultures."

Amen and [VERY] well said!

"Mr Gandhi, what do you think of Western civilization?" Mr Gandhi: "I think it would be a very good idea."

Dan Farfan: “IMO, my field, Computer Science, needs an infusion of philosophy to enable a new level to be reached.” :-)

John Grinnell: “So pointed, yet “civics” (short for civilization) is the first to go along with art and PE. W/o civilization science and math??”

Max McKeown: “Life is more than survival, past which point, soft, social, questioning, and beautiful matter.”

XLVIII. Some (Whacky-but-VERY-real) "Stuff"

There is no order to what follows. It is simply a collection of rather provocative quotes from my recent "new stuff" reading. Principal topics: Algorithmic determinism, Big Data, Social Business, and "gamification."

The (VERY) BIG 4: GRIN*

Genetics

Robotics

Informatics

Nanotechnology

***Decision #1: GRIN and BEAR it? GRIN, get to work, and SAVOR it?**

Disruptive Technologies: Advances That Will Transform Life, Business, and the Global Economy

- **Mobile Internet**
- **Automation of knowledge work**
- **The Internet of Things**
- **Cloud technology**
- **Advanced robotics**
- **Autonomous and near-autonomous vehicles**
- **Next-generation genomics**
- **Energy storage**
- **3-D printing**
- **Advanced materials**
- **Advanced oil and gas recovery**
- **Renewable energy**

Source: McKinsey Global Institute/May 2013

"Human level capability has not turned out to be a special stopping point from an engineering perspective. …." **—Illah Reza Nourbakhsh, *Robot Futures***

"The combination of new market rules and new technology was turning the stock market into a …

war of robots."

—Michael Lewis, "Goldman's Geek Tragedy" (*Vanity Fair*)

"The root of our problem is not that we're in a Great Recession or a Great Stagnation, but rather that we are in the early throes of a Great Restructuring. Our technologies are racing ahead, but our skills and organizations are lagging behind."

—Erik Brynjolfsson and Andrew McAfee *Race AGAINST the Machine*

“The median worker is losing the race against the machine.”

—Erik Brynjolfsson and Andrew McAfee, *Race Against the Machine*

“A bureaucrat is an expensive microchip.”

—Dan Sullivan, *consultant and executive coach*

***“Meet Your Next Surgeon: Dr. Robot”*—*Fortune/15* JAN 2013/on Intuitive Surgical’s da Vinci/multiple bypass heart-surgery robot**

"Automation has become so sophisticated that on a typical passenger flight … a human pilot holds the controls for a grand total of … 3 minutes.

[Pilots] have become, it's not much of an exaggeration to say, computer operators."

—Nicholas Carr, "The Great Forgetting," the *Atlantic*, 11.2013

Curing Short Attention Spans: *"My Busy Bucket will ship a plastic tub containing two hundred dollars worth of books, CDs, DVDs, puzzles, crafts, and toys (mostly wooden ones from Europe) to your offspring, and after twenty-one or thirty days, depending on your plan, a very nice FedEx man will make the package go bye-bye. The exact assortment of amusements is tailored to the munchkin's age (newborn to six) and the customer-selected theme (such as dress-up, sports, superheroes, princess/fairy)."*

—Patricia Marx, "Outsource Yourself," the *New Yorker*, 01.14.2013 (on Audrey Zardkoohi & Elizabeth Baumgarten, founders of the toy rental company Busy Bucket)

"The prospect of contracting a gofer on an a la carte basis is enticing. For instance, wouldn't it be convenient if I could outsource someone to write a paragraph here, explaining the history of outsourcing in America? Good idea! I went ahead and commissioned just such a paragraph from Get Friday, a 'virtual personal assistant firm based in Bangalore. … The paragraph arrived in my in-box ten days after I ordered it. It was 1,356 words. There is a bibliography with eleven sources. … At $14 an hour for seven hours of work, the cost came to $98. …"
—Patricia Marx, "Outsource Yourself," the *New Yorker*, 01.14.2013 ***(Marx describes in detail contracting out everything associated with hosting her book club—including the provision of "witty" comments on Proust, since she hadn't had time to read the book—excellent comments only set her back $5; the writer/contractor turned out to be a 14-year-old girl from New Jersey.)***

"Algorithms have already written symphonies as moving as those composed by Beethoven, picked through legalese with the deftness of a senior law partner, diagnosed patients with more accuracy than a doctor, written news articles with the smooth hand of a seasoned reporter, and driven vehicles on urban highways with far better control than a human driver." **—Christopher Steiner,** ***Automate This: How Algorithms Came to Rule the World***

Shades of Ned Ludd: ***"When Emmy*** **[algorithm]** ***produced orchestral pieces so impressive that some music scholars failed to identify them as the work of a machine, [Prof. David] Cope instantly created legions of enemies. … At an academic conference in Germany, one of his peers walked up to him and whacked him on the nose. …"***
—Christopher Steiner, ***Automate This: How Algorithms Came to Rule the World***

Automate This: How Algorithms Came to Rule the World

—Christopher Steiner

"Customer engagement is moving from relatively isolated market transactions to deeply connected and sustained social relationships. This basic change in how we do business will make an impact on just about everything we do."—**Dion Hinchcliffe & Peter Kim**, ***Social Business by Design: Transformative Social Media Strategies For the Connected Company***

Social Survival Manifesto*

1. **Hiding is not an option.**
2. **Face it, you are outnumbered. ["Level playing field, arrogance denied."]**
3. **You no longer control the message.**
4. **Try acting like … a human being.**
5. **Learn to listen, or else. ["REALLY listening to others is a must."]**
6. **Admit that you don't have all the answers.**
7. **Speak plainly and seek to inform.**
8. **Quit being a monolith. ["Your employees, speaking online as individuals, are a crucial resource … can be managed through frameworks that ENCOURAGE participation."]**
9. **Try being less evil.**
10. **Pay it forward, now. ["Internet culture is largely built on the principle of the Gift Economy … give value away to your online communities."]**

***Tom Liacas; socialdisruptions.com**

Winning in Marketplace 2013: An Ethos of Helping ZMOT:

ZERO Moment Of Truth/Google*

"You know what a 'moment of truth' is. It's when a prospective customer decides either to take the next step in the purchase funnel, or to exit and seek other options. … But what is a 'zero moment of truth'? Many behaviors can serve as a zero moment of truth, but what binds them together is that the purchase is being researched and considered before the prospect even enters the classic sales funnel … In its research, Google found that

84% ***of shoppers said the new mental model …*** **ZMOT** ***… shapes their decisions. …"***

—Jay Baer, ***Youtility: Why Smart Marketing Is About Help, Not Hype***

***See www.zeromomentoftruth.com for ZMOT in booklength format.**

Social Business By Design: Transformative Social Media Strategies For the Connected Company **(Donald Hinchcliffe & Peter Kim)**

Teva Canada: Supply chain excellence achieved. Share-Point/troubleshooting/Strategy-Nets/hooked to other functions; Moxie social tools, document editing, etc.

IBM: Social business tools/30 percent drop in project completion time/300K on LinkedIn, 200K on Facebook.

MillerCoors: Gender imbalance. Women of Sales peer support. Private network. Attrition plummeted.

Bloomberg: Mobi social media analytics prelude to stock performance.

Intuit: TurboTax struggling against H&R Block temp staffing/customers #1 asset/Live Community, focused on help with transactions.

Seven Characteristics of the Social Employee

1. **Engaged**
2. **Expects Integration of the Personal and Professional**
3. **Buys Into the Brand's Story**
4. **Born Collaborator**
5. **Listens**
6. **Customer-Centric**
7. **Empowered Change Agent**

Source: Cheryl Burgess & Mark Burgess, *The Social Employee*

Marbles, a Ball, and Social Employees at IBM: ***"Picture a ball and a bag of marbles side by side. The two items might have the same volume—that is, if you dropped them into a bucket, they would displace the same amount of water. The difference, however, lies in the surface area, because a bag of marbles is comprised of several individual pieces, the combined surface area of all the marbles far outstrips the surface area of a single ball. The expanded surface area represents a social brand's increased diversity. These surfaces connect and interact with each other in unique ways, offering customers and employees alike a variety of paths toward a myriad of solutions. If none of the paths prove to be suitable, social employees can carve out new paths on their own."*** **—Ethan McCarty, Director of Enterprise Social Strategy, IBM (from Cheryl Burgess & Mark Burgess,** ***The Social Employee*****)**

IBM Social Business Markers/2005-2012

***433,000 employees on IBM Connection**
***26,000 individual blogs**
***91,000 communities**
***62,000 wikis**
***50,000,000 IMs/day**
***200,000 employees on Facebook**
***295, 000 employees/800,000 followers of the brand**
***35,000 on Twitter**

Source: IBM case, in Cheryl Burgess & Mark Burgess, ***The Social Employee***

Gamification: ***"Gamification presents the best tools humanity has ever had to create and sustain engagement in people."*** **—Gabe Zichermann & Joselin Linder,** ***Gamification: How Leaders Leverage Game Mechanics to Crush the Competition***

"The popularity of an unwinnable game like Tetris completely upends the stereotype that gamers are highly competitive people who care more about winning than anything else. Competition and winning are <u>not</u> defining traits of games—nor are they defining interests of the people who love to play them. Many gamers would rather keep playing than win. In high-feedback games, the state of being intensely engaged may ultimately be more pleasurable than the satisfaction of winning."
—Jane McGonigal, ***Reality Is Broken: Why Games Make Us Better and How They Can Change the World***

"The kind of thinking on my bedroom floor [as a boy, playing APBA, Strat-o-Matic, Statis Pro Baseball] became an everyday component of mass entertainment. [This book] is the story of how systems analysis, probability theory, pattern recognition, and—amazingly enough—old-fashioned patience became indispensable tools for anyone trying to make sense of pop culture. The truth of my solitary obsession with modeling complex simulations is now ordinary behavior for most consumers of digital-age entertainment. This kind of education is not happening in classrooms or museums; it's happening in living rooms and basements, on PCs and television screens. This is the Sleeper Curve [from Woody Allen's movie "Sleeper"] …"
—Steven Johnson, ***Everything Bad Is Good For You: How Today's Popular Culture Is Actually Making Us Smarter***

It Ain't About the Ws and Ls: ***"Fun from games arises out of mastery. It arises out of comprehension. It is the act of solving puzzles that makes games fun. In other words, with games, learning is the drug."***
—Raph Koster, ***A Theory of Fun For Game Designers***

Towards Addiction to … LEARNING: ***"When I enter a video game, I learn something about a fictitious world. And in that video game, I'm allowed to go at my own pace. I'm constantly assessed—assessment becomes my friend. I feel good when I master the next level. If you could only take that experience of a video game back into student learning, we could make learning addictive. My deep, deep desire is to find a magic formula for learning in the online age that would make it as addictive as playing video games."*** **—Sebastian Thrum, founder, Udacity, lead developer of Google Glass, etc.** ***(Foreign Affairs,*** **11-12.2013)**

Work.com/Salesforce.com: ***"… suite of mobile apps that enabled people inside the organization to provide instant feedback to their co-workers for a job well done" "Facebook-style newsfeed," "badges, leaderboards, point systems" "turned the review process into something people actually want to do"*** **—Gabe Zichermann & Joselin Linder,** ***The Gamification Revolution: How Leaders Leverage Game Mechanics to Crush the Competition***

"Idea Street"/UK Department of Work and Pensions (28% UK budget): ***"Staff provide innovative ideas and vote for the best ones" "first nine months: $16 million in savings" "meaning was within the game itself, not the external reward"*** **—Gabe Zichermann & Joselin Linder**
The Gamification Revolution: How Leaders Leverage Game Mechanics to Crush the Competition

"Why exactly are we competing with each other to do the dirty work? We're playing a free online game called Chore Wars—and it just so happens that ridding our real-world kingdom of toilet stains is worth more experience points, or XP, than any other chore in our apartment. … A mom in Texas describes a typical Chore Wars experience: 'We have three kids, ages 9, 8, and 7. I sat down with the kids, showed them their characters and the adventures, and they literally jumped up and ran off to complete their chosen task. I've never seen my 8-year-old son make his bed. I nearly fainted when my husband cleaned out the toaster oven.' …"

—Jane McGonigal, ***Reality Is Broken: Why Games Make Us Better and How They Can Change the World***

"When I work with experimental digital gadgets, I am always reminded of how small changes in the details of a digital design can have profound unforeseen effects on the experiences of the people who are playing with it. The slightest change in something as seemingly trivial as the ease of use of a button can sometimes alter behavior patterns. For instance, Stanford University researcher Jeremy Bailinson has demonstrated that changing the height of one's avatars in immersive virtual reality transforms self-esteem and social self-perception. Technologies are extensions of ourselves, and, like the avatars in Jeremy's lab, our identities can be shifted by the quirks of gadgets. It is impossible to work with information technology without also engaging in social engineering."*—Jaron Lanier, *You Are Not a Gadget

“[Michael Vassar/MetaMed founder] ***is creating a better information system and new class of people to manage it.*** ***‘Almost all healthcare people get is going to be done—hopefully—by algorithms within a decade or two.*** ***We used to rely on doctors to be experts, and we’ve crowded them into being something like factory workers, where their job is to see one patient every 8 to 11 minutes and implement a by-the-book solution. I’m talking about creating a new ‘expert profession’—medical quants, almost like hedgefund managers, who could do the high-level analytical work of directing all the information that flows into the world’s hard drives. Doctors would now be aided by Vassar’s new information experts who would be aided by advanced artificial intelligence.”*** **—*New York*/0624.13**

"When you ask [Cloudera founder Jeffrey] Hammerbacher what he sees as the most promising field that could be hacked by people like himself, he responds with two words: 'Medical diagnostics.' And clearly doctors should be watching their backs, but they should be extra vigilant knowing that the smartest guys of our generation—people like Hammerbacher—are gunning for them. The targets on their [M.D.s] backs will only grow larger as their complication rates, their test results and their practices are scrutinized by the unyielding eye of algorithms built by smart engineers. Doctors aren't going away, but those who want to ensure their employment in the future should find ways to be exceptional. Bots can handle the grunt work, the work that falls to our average practitioners."

—Christopher Steiner, ***Automate This: How Algorithms Came to Rule the World***

"[These HP] pioneers may not realize just how big a shift this practice is from a cultural standpoint. The computer is doing more than obeying the usual mechanical orders to retain facts and figures. It's producing new information that's so powerful, it must be handled with a new kind of care. We're in a new world in which systems not only divine new, important information, but must carefully manage it as well." **—Eric Siegel,** ***Predictive Analytics: The Power to Predict Who Will Click, Buy, Lie, or Die*** **(based on a real case, an HP "Flight risk" PA model developed by HR, with astronomical savings potential)**

"1-800-FLOWERS improved its ability to detect fraud by considering the social connections between prospective perpetrators." **—Eric Siegel,** ***Predictive Analytics: The Power to Predict Who Will Click, Buy, Lie, or Die***

"Aviva, a large insurance firm, has studied the idea of using credit reports and consumer-marketing data as proxies for the analysis of blood and urine samples for certain applicants. The intent is to identify those who may be at higher risk of illnesses like high blood pressure, diabetes, or depression. The method uses lifestyle data that includes hundreds of variables such as hobbies, the websites people visit, and the amount of television they watch, as well as estimates of their income. Aviva's predictive model, developed by Deloitte Consulting, was considered successful at identifying health risks."

—Viktor Mayer-Schonberger and Kenneth Cukier, ***Big Data: A Revolution That Will Transform How We Live, Work, and Think***

"By harnessing the 'wisdom of crowds,' many subjective observations taken together provide a more objective and accurate picture of an employee's performance than a single subjective judgment. It averages out prejudice or baggage on the part of both manager and employee."*—*Eric Mosley, The Crowd Sourced Performance Review

"Some people rush for a deal, others think that the deal means the merchandise is subpar. Just by eliminating the persuasion styles that rub people the wrong way [as deduced from prior Web behavior patterns], [the marketer] found he could increase the effectiveness of marketing materials from 30 to 40 percent."*—*Eli Pariser, The Filter Bubble: How the New, Personalized Web Is Changing What We Read and How We Think

"Analytics can yield literally hundreds of millions of data points—far too many for human intuition to make any sense of the data. So in conjunction with the ability to store very big data about online behavior, researchers have developed strong tools for data mining, statistically evaluating correlations between many types and sources of data to expose hidden patterns and connections. The patterns predict human behavior—and even hidden human motivations."

—Illah Reza Nourbakhsh, *Robot Futures*

"Predictions based on correlations lie at the heart of big data."

—Viktor Mayer-Schonberger and Kenneth Cukier, *Big Data: A Revolution That Will Transform How We Live, Work, and Think*

"Flash forward to dystopia. You work in a chic cubicle, sucking chicken-flavor sustenance from a tube. You're furiously maneuvering with a joystick … Your boss stops by and gives you a look. 'We need to talk about your loyalty to this company.' The organization you work for has deduced that you are considering quitting. It predicts your plans and intentions, possibly before you have even conceived them."

—Eric Siegel, *Predictive Analytics: The Power to Predict Who Will Click, Buy, Lie, or* Die (based on a real case, an HP "Flight risk" PA model developed by HR, with astronomical savings potential)

"LinkedIn offers a career trajectory prediction by comparing your resume to other peoples' who are in your field but further along. LinkedIn can forecast where you'll be in five years. … As a service to customers, it's pretty useful. But imagine if LinkedIn offered the data to corporate clients to weed out people who are forecast to be losers. … It seems unfair for banks to discriminate against you because your high school buddy is bad at paying his bills or because you like something that a lot of loan defaulters also like. And that points to a basic problem with induction, the logical method by which algorithms use data to make predictions."—**Eli Pariser,** ***The Filter Bubble: How the New, Personalized Web Is Changing What We Read and How We Think***

"With new forms of 'sentiment analysis' it's now possible to guess what mood one's in. People use substantially more positive words when they're up …"—**Eli Pariser,** ***The Filter Bubble: How the New, Personalized Web Is Changing What We Read and How We Think***

“I believe this is the quest for what a personal computer really is. It is to capture one’s entire life.” **—Gordon Bell**

“Internet of Things”: *“The algorithms created by Nest’s machine-learning experts—and the troves of data generated by those algorithms—are just as important as the sleek materials carefully selected by its industrial designers. By tracking its users and subtly influencing their behaviors, Nest Learning Thermostat transcends its pedestrian product category. Nest has similar hopes for what has always been a prosaic device, the smoke alarm. Yes, the Nest Protect does what every similar device does—goes off when smoke or CO reaches dangerous levels—but it does much more, by using sensors to distinguish between smoke and steam, Internet connectivity to tell you where the danger is, a calculated tone of voice to convey a personality, and warm lighting to guide you in the darkness. In other words, Nest isn’t only about beautifying the thermostat or adding features to the lowly smoke detector. ‘We’re about creating the conscious home,’ Nest CEO Fadell.” Left unsaid is a grander vision, with even bigger implications, many devices sensing the environment, talking to one another, and doing our bidding unprompted.”*—**Steven Levy, “Where There’s Smoke …,” *Wired,* November 2013**

“Internet of Everything”: *“The idea of the IoE** [Internet of Everything/Cisco Systems/Estimated market size, next decade: $14.4 trillion] *is a networked connection of people, processes, data and ‘things,’ which is being facilitated by technology transitions such as increased mobility, cloud computing and the importance of big data.”*

Source: “The Big Switch,” *Capital Insights*

“Robotics will drive this very innovation. Landing page tuning will bust out of the Internet and become ‘interaction tuning.’ Companies will apply their analytics engines to all interaction opportunities with people everywhere: online, in the car, in a supermarket isle, on the sidewalk, and of course in your home.”*—Illah Reza Nourbakhsh, *Robot Futures

Summary 2013: What I've Come/Am Coming to Believe

***The power to invent (*and* execute) is switching/flipping rapidly/inexorably to the network. "Me" is transitioning to "We"—as consumers and producers. Nouns are giving way to gerunds—it's an "ing"/shapeshifting world!**

***The Internet *must* stay open and significantly unregulated to enable, among other things, the entrepreneurial spurt that will significantly underpin world economic growth.**

***Entrepreneurial behavior and upstart entrepreneurial enterprises have underpinned every monster shift in the past, such as farm to factory. This time will likely be no different.**

***An obsession with a "Fortune 500" of more or less stable giants dictating "the way we do things" will likely become an artifact of the past. (Though big companies/"utilities" will not disappear.)**

***There is simply no limit to invention or entrepreneurial opportunities! (Please read twice.)**

***The new star bosses will be "wizards"/"maestros."**

***Sources of sustained profitability will often be elusive in a "soft-services world."**

***Control and accountability will be a delicate dance. Now you see it, now you don't ...**

***Trial and error, *many many many* trials and *many many many* errors *very very very* rapidly will be the rule; tolerance for and delight in rapid learning—and unlearning—will be a/the most valued skill.**

*** "Gamers" instinctively "get" the idea of lots of trials, lots of errors, as fast as possible; for this reason among many, "the revolution" is/will be to a very significant degree led by youth.**

***Women may well flourish to the point of domination in new leadership roles in these emergent/ethereal settings that dominate the landscape—power will be exercised almost entirely indirectly (routine for most women—more than for their male counterparts), and will largely/elusively inhabit the network per se.**

***The "Brand You/Brand Me" idea is alive and well and getting healthier every day and is … not optional. Fact is, we mostly all will have to behave/be entrepreneurial tapdancers to survive let alone thrive. (Again, the under-35 set already seem mostly to get this; besides, this was the norm until 90 years ago.)**

***Individual performance and accountability will be more important than ever, but will be measured by one's peers along dimensions such as reliability, trustworthiness, engagement, flexibility, willingness to spend a majority of one's time helping others with no immediate expected return.**

***AI is ripping through traditional jobs at an accelerating pace. Virtually no job, circa 2000, no matter how "high end," will remain in a recognizable way within 15-25 years. It's as simple—and as traumatic—as that.**

***Wholesale/continuous/intense re-education (forgetting as well as learning) is a lifelong pursuit/imperative; parent Goal #1: Don't kill the curiosity with which the child is born!**

*** STEM (Science-Technology-Engineering-Math) is no doubt significant to a landscape being transformed by technology, though it has severe limitations. I favor the somewhat more robust formulation labeled STEAM/steAm. The "A" is for Art, or the arts. "The arts" are to some extent "what's left" in terms of value creation as AI/robotics vacuum up traditional high-end occupations—think Apple.**

***The surprisingly good news: Education is busily re-inventing itself and leaving the ed establishment in the dust! The idea of and shape of education per se are erasing all that's come before.**

***GRIN/Genetics-Robotics-Informatics-Nanotech: Overwhelming transformation is hardly just the provenance of AI/Robotics. Change, entrepreneurial activities and early adoption in the "G"/genetics and the "N"/nanotech arenas are accelerating. In fact, our 25 year horizon may border on the unrecognizable.**

***Government has a large role to play, like it or not. E.g., government-funded BASIC-research and development is a major-league necessity—which is growing rather than diminishing. Acknowledging the limits, at times severe, of markets is imperative!**

***Governance: It is hard to imagine that fundamental systems of human arrangement-governance will remain unchanged.**

***Downside? I have during my months of forced re-education personally moved from a position of deep pessimism to one of guarded optimism. Will "everything be different" in 10 or 25 years? Perhaps. Will we adapt individually and organizationally; history says yes, but common sense says there are no sure bets, and frightful issues (from genetics to war-and-peace) can readily be imagined. Stay tuned!**

XLIX. Big Data: (Severe) Limits Thereto

As I read more and more gushing BIG data tributes, I must say I'll be shocked if BD doesn't eradicate disease-famine-human conflict-all error w/in next 10 years.

One Big Data/HR advertorial promises *"data metrics* [that provide] *complete picture of an individual ... everything."* Golly gee. Wow. Zounds. "EVERYTHING." Whowouldathunk …

Quick! Send John Kerry a Big Data Team! Wrap up the Israeli-Palestinian peace process before Easter! (Written 10 days before Easter.)

FYI: In actual fact I am a Big Fan of Big Data.

Big Data-INFORMED decision making?

***Bravo!* Big Data-BASED decision making?**

Run for cover!

The joy of life is surprise. The joy of Big Data is what a small share of human reality it actually captures. Phew.

I have TWO degrees in engineering/TWO degrees in biz. I love data. But it captures but a sliver of reality. And a damned small sliver at best.
"Fact" implies capturing reality. A frightening illusion!
Bond Lady: if "data" isn't what you are looking for, what else do you use for judgments?

Crystal balls work pretty well in situations of high ambiguity.

I rarely make judgments. I just do shit [perturb the system] and watch what happens. And giggle a lot.

Mark Riffey: "Poke the bear."

Why else bother to get up in the morning?

"The first step is to measure what can easily be measured.
This is okay as far as it goes.

"The second step is to disregard that which cannot be measured, or give it an arbitrary quantitative value.
This is artificial and misleading.

"The third step is to presume that what cannot be measured is not very important.
This is blindness.

"The fourth step is to say what cannot be measured does not really exist.
This is suicide."

—Daniel Yankelovich (from *Enough!*, by Jack Bogle)

Limits to the value of "body counts" in Vietnam: ***"To his dying day,*** **[Robert S. McNamara]** ***puzzled over facts and figures being no match for hearts and minds."***

Source: ***Boston Globe*** **review of a Donald Rumsfeld documentary/04/04.14**

As people have said forever, it is sooooooooooooo easy to lie with statistics.

A sound grasp of big data will help you support any conclusion you wish to jump to.

Nathan Jones: "tom_peters has a great discussion of the risks of how with massive data sets you can 'prove' anything you wish."

Is Big Data the end of lying with statistics?

No!

It's the beginning!

Rich Duszak MD: "Unfortunate but true."

"Fact" *implies* capturing reality: A frightening illusion!

Big Data koolaiders point out that they are using "population data," not a sample—as if their definition of "population data" included all facets of life-as-we-know-it. Pity the poor naïfs!

Phil Manning: "With stats, you're always #1 in something."

Well said, bro!

Ashis Basu: "As George Bernard Shaw famously said, 'There are lies, dammed lies and Statistics!'"

That superb GBS-ism had slipped my mind. Thanks.

Comment: “How do you deal with this situation as an exec?”

I believe there are few more important and few less studied subjects than the art of asking questions!

Re questions: A lot of Big Bank CEOs rolled by failure to acknowledge they did not comprehend the information the quants were proffering.

Quants are like all specialists. They are narrow-minded to a fault. (A quant w/superb presentation skills is among the most dangerous of human beings.)

Gerhard Oliver: “That is very very funny, but I agree 100%!”

Big Data-

INFORMED

decision making?

Bravo!

Big Data-BASED

decision making?

Run for cover!

On another Big Data Note …

Janelle Milo: "Distinction worth highlighting: Data are already there. Just becomes much easier to access and distill it during discovery."
Very well said. Big Data koolaid swillers act as if business today is a data-free zone.

Big Data koolaid swillers act as if binary/two worlds: (1) Big Data. (2) Intuition. Ridiculous. In many cases, data-slavery is a long-time problem. (Peters-Waterman: "Hard is soft. Soft is hard.")

Betcha …

Re HR-Big Data hookup, I bet: Within 10 years, there will be an entire new division added to the EEOC to deal with big-data-driven employee discrimination claims.

HR-Big Data hookup: Law suit bonanza, here we come!

Big Data, HR, and Social Business …

SocBiz emphasizes individuality. HR-Big Data hookup emphasizes homogeneity. Hmmmm …

Each marble in the social business bag has

priceless individual characteristics. But Big Data-HR linkage rewards mimicking past success. How do you reconcile?

L. 47 Questions for Newby CEOs

A reporter asked me to think about "a couple of questions a new CEO ought to ask her/himself." I stopped—for now—at 47:

Can you imagine your tombstone having your net worth carved in it? Of course you can't. (I hope.) So what *would* you like on the tombstone?

How would you explain what you do to your 10-year-old daughter? (Aim for 25/50 words or less.)

How would you explain your most recent major decision to your 10-year-old daughter? (Aim for 25/50 words or less.)

Did you miss half your 13-year-old daughter's soccer games this year? (I'll guarantee that if you live to be 109, you'll never forgive yourself no matter how many zeros in your net worth.)

List your Top Five active projects: How many score 8 or higher on a 10-point "WOW Scale"?

Are your training courses so damn good they make you giggle?

Can every employee, when stopped by you in the hall, describe her or his personal development strategy for 2014? (Is it radical?)

Is your CTO/Chief Training Officer on a par (e.g., pay, perks, pecking order) with your CFO/CIO/CMO?

Have you (I HOPE) read *Forbes* publisher Rich Karlgaard's superb …

The Soft Edge?

List your Top Five active projects: ***How many score 8 or higher on a 10-point "WOW Scale"?****

TODAY. **Take ONE project. Figure out—with your team—how to move it up ONE notch on the WOW Scale. (I call this, God help me … "WOW-ification.")**

Whenever you read this: Have you modeled Unadulterated Excellence in the last 30 minutes?

Do you have enough freaky customers in your portfolio, pushing you to the limit day in and day out?

If you got run over by a bus, could you guarantee that your successor is BETTER than you are?

Have you thanked 10 people for SOMETHING … today?

At year's end do you call 25-50 people to thank them for their support during the prior 12 months? (Inspired by Hank Paulson)

Is EVERY meeting a Paragon of Excellence? (To a large extent, like it or not, meetings are what you do.)

Do you ever act like an asshole? (Guess what, dude, you can't get away with it—you are NOT Steve Jobs.)

Do you have an implicit bias for capital investments over people investments?

(Think VERY carefully about this.)

Are you a good listener? (Odds are VERY high that you are not—AND that you're getting worse. Nothing is more important. It is a subject that can be studied and mastered.)

Are you a PROFESIONAL … listener?
Are you a PROFESIONAL … at hiring?
Are you a PROFESIONAL … at evaluating people?

How many-off-the-charts crazy new people have you had lunch with in the last 90 days? **(Inspired by FedEx CEO Fred Smith.)**

Do you read enough? (10:1 says the answer is "No.") (Inspired by one of USA's top 10 investment bankers who said not reading enough is the number ONE failing of CEOs.)

If all of your traditional marketing programs were shut down tomorrow, would your extant Social Media programs carry the load?

Do you think the whole "social media"/"social employee"/"social business" "thing" is overblown? (It may be, but are you sure? Good chance it's "underblown." How do you plan to test the overblown/underblown hypothesis?) (In any event, STUDY like a maniac.)

Do you think the whole "big data" "thing" is overblown? (It may be, but are you sure? Good chance it's "underblown." How do you plan to test the overblown/underblown hypothesis?) (In any event, STUDY like a maniac.)

Do you make eye contact 100% of the time?

Do you practice Intense MBWA (Managing By Wandering Around) EVERY day? (Courtesy, in effect, Starbucks' Howard Schultz, who visits a minimum of 25 shops per week.)

To what degree can you say you are honestly (regularly, intensively) in touch with folks three levels "down" in the organization—where the real work gets done?

Are you over-reliant on email, or do you still use the phone regularly?

Do you reward imaginative failures that lead to significant learning? (Courtesy a successful Aussie exec who says his philosophy is, "Reward excellent failures, punish mediocre successes.")

How many physical visits to key customers have you made this quarter?

Do you have a rigid/near-religious routine of calling a key contact at each of your top 10 (25?) customers once a month?

Are you sure that you are not so intimidating that you cause people not to share priority problems with you early on when they are fixable? (Hint, you think you are approachable—odds are you are alone in that assessment.)

Women buy the lion's share of retail AND commercial goods. Does your top team reflect that? *(If it doesn't, you're an idiot.)*

Is your top team a paragon of diversity? **Or did they all go to Stanford? (I went to Stanford. It is, of course, the best university in the world. But lack of top-team diversity is a huge mistake. Inspired by Billy Cox: "You will become like the five people you associate with the most; this can be either a blessing or a curse.")**

Have you read and attentively studied and widely shared Daniel Kahneman's book *Thinking, Fast and Slow*? (It will shake your confidence in your and your colleagues' judgment/decision-making skills—that's a good thing.)

Do you think your intuition is good? (I don't—and I don't even know you.)

Is 50% of your time unscheduled? (Courtesy Intel superstar Dov Frohman's book *Leadership the Hard Way*. Frohman says over-scheduling and failure to "daydream" are CEOs' two top failings.)

Is your full cadre of 1st-line bosses staggeringly talented and well trained/mentored/compensated? (The population of 1st-line bosses is unmistakably the #1 determinant of productivity/employee retention.)

Do you have an implicit bias toward noisy, aggressive people? (You probably do. Read the book *Quiet*—and realize that shortchanging introverts is a strategic mistake.)

Do you acknowledge that failed cross-functional communication/cooperation/ synergy is the #1 cause of delays of … EVERYTHING? (It is.) Do you work VISIBLY on this EVERY day? (Inspired by Mayo Clinic—MC fires top docs who fail to buy into team medicine.)

Do you acknowledge that there are about 500 ways to de-motivate people, and about 5 ways to motivate them—and act accordingly?

Do you quickly get tired of people who constantly say "the sky is falling"? (Well, I do, too. But sometimes it is falling. I pray you are an optimist; I pray that you have a few pessimistic pals whom you do not dismiss out of hand.)

Do you acknowledge that acquisitions rarely live up to their billing—the billing that was so gloriously touted by you? And do you acknowledge that when acquisitions blow up it is usually courtesy a "culture clash" which you didn't look at hard enough during the vetting process? (If you don't acknowledge that, you are wrong. PERIOD.)

In presentations you review, is there as much/more text devoted to implementation as there is to problem/opportunity analysis?

Is your strategic plan > 2 pages? (If yes … *for shame*.) (Courtesy Larry Bossidy.)

LI. The ONLY Thing I've Learned (NO Bull!)

1/48*

***The One & Only one thing I've learned "for sure" since 1966—48 years.**

In Search of Excellence/1982
The Bedrock "Eight Basics"

1. **A Bias for Action**
2. **Close to the Customer**
3. **Autonomy and Entrepreneurship**
4. **Productivity through People**
5. **Hands On, Value-Driven**
6. **Stick to the Knitting**
7. **Simple Form, Lean Staff**
8. **Simultaneous Loose-Tight Properties**

A Bias for Action, 1966-2014

Let me not weary you with a long tale of the work that led to *In Search of Excellence*. I will simply say that the research was done and the writing had been outlined. It included, as centerpiece, eight chapters that were the heart of the matter—the "Eight Basics of Excellence." Well, of course, something had to come first. "People as asset #1"? "Getting close and then closer to the customer"? "Internal entrepreneurship"? Great candidates all! But we (my co-author Bob Waterman and I) chose—without any hesitation—another that we labeled "A Bias for Action." In our travels, we had concluded that big businesses's # 1 problem was, to use our shorthand, "Too much talk, too little do." As the norm, companies were weighed down with bureaucracy to the sinking point. (Indeed, some did sink.) But the companies we most admired—3M was a classic example—were inclined to generate an idea, test it in a flash, correct it in a flash, again and again, and then again, until it was discarded or became the basis for something new. Something had to be #1. And that characteristic, that "shut up and do now" bias for action was it.

That was some time in 1980, two years before the book was published. And here it is 2014. Fully thirty-four years later. And I *still* have not changed my mind. A lot has changed to say the least, but now, more than ever, those who get an inkling and try it in a flash and fix it in a flash are still the pick of the litter. From Google or Facebook to GE and the stores on main street in your town.

As I look back, 1966 was actual the personal launch of this paramount idea for me. After college, I went into the U.S. Navy—they'd paid my way through school. And, skipping steps, became an officer in a Seabee battalion. (Seabees stand for C.B., construction batallions—combat engineering units that by and large support U.S. Marine Corps ground units. The motto of the "Bees," from the start in 1942 was "Can do." Or: Stop the talk, start the "do." It was embedded in a history dating to World War II and the important battle for Guadalcanal. And 24 years later I was living the legend in Danang, Vietnam. My "CO"/Commanding Officer epitomized "Can do." And, in retrospect, directly anticipated "A Bias For Action." I heard "Shut up and get in the field and do it—barriers are 100% irrelevant" so many times that my brain ached.

And, to essentially repeat, 48 years later, my beliefs haven't changed one bit—except to get stronger with the passage of time. Heavens knows, in 2014 "a bias for action" has become the "age for action"—as everything moves/accelerates faster and faster.

1/48: Action Rules! The 1 Thing (Only) I've Learned (For Sure) in 48 Years!

A Bias for Action. **(No. 1/"Basics of Excellence"/*In Search of Excellence*/1982)**

Ready.
Fire.
Aim.

(H. Ross Perot on EDS; as compared to GM's "Ready. Aim. Aim. Aim. Aim. Aim. …")

Just do it! **(Nike)**

Move fast, break things. (Facebook)

Experiment fearlessly. **(Trait #1/Great innovator companies/*Bloomberg Businessweek*)**

Relentless trial and error. **(Corporate Survival Trait #1 in crazy times/*Wall Street Journal*)**

"You miss 100% of the shots you never take." (Wayne Gretzky)

"Fail. Forward. Fast." **(Tech exec/Philadelphia)**

CAN YOUR BUSINESS FAIL FAST ENOUGH TO SUCCEED? **(*Economist* conf. title)**

"Fail faster, succeed sooner." **(David Kelley/IDEO)**

No matter.
Try again.
Fail again.
Fail better.

(Samuel Beckett)

"Reward excellent failures. Punish mediocre successes." **(Phil Daniels/Australian businessman)**

Whoever Makes the Most Mistakes Wins. **(Richard Farson/book title)**

"The Silicon Valley of today is built less atop the spires of earlier triumphs than upon the rubble of earlier debacles." **(Paul Saffo/tech futurist/Palo Alto)**

"The secret of fast progress is *inefficiency*: fast/furious/numerous failures." (K. Kelly)

S.A.V./Screw Around Vigorously (TP: only possible success strategy for crazy times)

Demo or die. (MIT Media Lab credo)

"Don't 'plan.' Do stuff." (David Kelley/IDEO)

"Effective prototyping may be the most valuable core competence an innovative organization can hope to have."/"Minimize 'mean time to prototype.'" (M. Schrage/MIT)

"This is so simple it sounds stupid. You only find oil if you drill wells." (J. Masters/wildcatter)

"We have a 'strategic plan.' It's called 'doing things.'" (Herb Kelleher/Southwest Airlines)

"Can do!" (Motto/U.S. Navy Seabees/My starting point in 1966 in Vietnam)

"Execution *is* strategy." (Fred Malek)

WD40 (Water Displacement, 40 tries to get it right.)

BLAME NO ONE.
EXPECT NOTHING.
DO SOMETHING.
(NFL coach Bill Parcells/locker-room poster)

"Quality is a probabilistic function of quantity." (M. Gladwell/"Creation Myth"/re J.S. Bach)

"Ever notice that *'What the hell'* is always the right decision?" (Anon. screenwriter)

"I think it is very important for you to do two things: act on your temporary conviction as if it was a real conviction; and when you realize that you are wrong, correct course very quickly." (Andy Grove)

"Active mutators in placid times tend to die off. They are selected against. Reluctant mutators in quickly changing times are also selected against." (Carl Sagan & Ann Druyan, *Shadows of Forgotten Ancestors*)

"If things seem under control, you're just not going fast enough." (Mario Andretti)

The most successful people are those who are good at plan B." (James Yorke, mathematician)

"I'm not comfortable unless I'm uncomfortable." (Jay Chiat)

“If it works, it’s obsolete.” (Marshall McLuhan)

“The only way to whip an army is to go out and fight it.” (Ulysses S. Grant)

“The genius of Grant’s command style lay in its simplicity. Grant never burdened his division commanders with excessive detail. … no elaborate staff conferences, no written orders prescribing deployment. … Grant recognized the battlefield was in flux. By not specifying movements in detail, he left his subordinate commanders free to exploit whatever opportunities developed.”—Jean Edward Smith, *GRANT*

“Execution is the job of the business leader.” (Larry Bossidy)

Do right and damn the odds.
Stagnation is the curse of life.
The best is the cheapest.
Emotion can sway the world.
Mad things come off.
Haste in all things.
Any fool can obey orders.
History is a record of exploded ideas.
Life is phrases.

First Sea Lord Admiral John Fisher

W.T.T.M.S.W. /Whoever Tries The Most Stuff Wins.

WTTMSASTMSUW/ Whoever Tries The Most Stuff And Screws The Most Stuff Up Wins.
WTTMSASTMSUTFW/Whoever Tries The Most Stuff And Screws The Most Stuff Up The Fastest Wins.

“Ready. Fire. Aim.”

H. Ross Perot/EDS founder, former GM board member ***“The first EDSer to see a snake kills it. At GM, the first thing you do is organize a committee on snakes. Then you bring in a consultant who knows a lot about snakes. Third thing you do is talk about it for a year.”***

"We made mistakes, of course. Most of them were omissions we didn't think of when we initially wrote the software. We fixed them by doing it over and over, again and again. We do the same today. While our competitors are still sucking their thumbs trying to make the design perfect, we're already on prototype version #5. By the time our rivals are ready with wires and screws, we are on version #10. It gets back to planning versus acting:

We act from day one; others plan how to plan—for months."

—Bloomberg by Bloomberg

"The difference between Bach and his forgotten peers isn't necessarily that he had a better ratio of hits to misses. The difference is that the mediocre might have a dozen ideas, while Bach, in his lifetime, created more than a thousand full-fledged musical compositions. A genius is a genius, psychologist Paul Simonton maintains, because he can put together such a staggering number of insights, ideas, theories, random observations, and unexpected connections that he almost inevitably ends up with something great. 'Quality,' Simonton writes, 'is a probabilistic function of quantity.'"

—Malcolm Gladwell, "Creation Myth," *New Yorker*, 0516.11

"When assessing candidates, the first thing I looked for was energy and enthusiasm for … execution. Does she talk about the thrill of getting things done, the obstacles overcome, the role her people played—or does she keep wandering back to strategy or philosophy?"

—Larry Bossidy, from *Execution: The Discipline of Getting Things Done*

A man approached J.P. Morgan, held up an envelope, and said,
"Sir, in my hand I hold a guaranteed formula for success, which I will gladly sell you for $25,000."

"Sir,"* J.P. Morgan replied, *"I do not know what is in the envelope, however if you show me, and I like it, I give you my word as a gentleman that I will pay you what you ask."

The man agreed to the terms, and handed over the envelope.
J.P. Morgan opened it, and extracted a single sheet of paper.
He gave it one look, a mere glance, then handed the piece of paper back to the gent.

And paid him the
agreed-upon $25,000 …

The formula:

1. ***Every morning, write a list of the things that need to be done that day.***

2. **Do them.**

“Can do!”

—Motto/U.S. Navy Seabees

(My starting point in 1966 in Vietnam/48 years ago)

“Screw it.

Just do it.”

—Richard Branson

“Ever notice that ‘What the hell’ is always the right decision?”

—Anon. screenwriter

“We have a ‘strategic plan.’ It’s called ‘doing things.’”

—Herb Kelleher/Southwest Airlines

“You miss 100% of the shots you never take.”

—Wayne Gretzky

BLAME NO ONE.
EXPECT NOTHING.
DO SOMETHING.

—NFL coach Bill Parcells
(locker-room poster)

"Intelligent people can always come up with intelligent reasons … to do nothing." **—Scott Simon**

"Thinking is the enemy of creativity. It's self-conscious and anything self-conscious is lousy. You simply must … do things." **—Ray Bradbury**

Demo or die.

—M IT Media Lab credo

“Effective prototyping may be the most valuable core competence an innovative organization can hope to have.”

—Michael Schrage

"The way to make a better aircraft wasn't to sit around perfecting a design, it was to get something up in the air and see what happens, then try to fix whatever goes wrong."

"Instead of trying to figure out the best way to do something and sticking to it, just try out an approach and keep fixing it."

—Eric Abrahamson & David Freedman, Chapter 8, "Messy Leadership," from *A Perfect Mess: The Hidden Benefits of Disorder* (On Burt Rutan, perhaps the world's best aircraft designer and developer.)

“Don’t ‘plan.’ Do stuff.”

—David Kelley/IDEO

“Fail faster, succeed sooner.”

—David Kelley/IDEO

“Stay Hungry. Stay Foolish.”

—Stewart Brand (Generally attributed to Steve Jobs)

“Learn not to be careful.”

—Photographer Diane Arbus to her students (Careful = Glued to the sidelines, from Harriet Rubin in *The Princessa*)

“No matter. Try again. Fail again. Fail better.”

—Samuel Beckett

Ideas Economy: **CAN YOUR BUSINESS FAIL FAST ENOUGH TO SUCCEED?**

Source: ad/Economist Conference/0328.13/Berkeley CA (caps used by *Economist*)

“Reward excellent failures. Punish mediocre successes.”

—Phil Daniels/Australian businessman

“I’m not comfortable unless I’m uncomfortable.”

—Jay Chiat

“If it works, it’s obsolete.” **—Marshall McLuhan**

“Execution is strategy.”

—Fred Malek

“Execution is the job of the business leader.”

—Larry Bossidy

“Amateurs talk about strategy. Professionals talk about logistics.”

—General Omar Bradley

Conrad Hilton, at a gala celebrating his career, was called to the podium and asked,
"What were the most important lessons you learned in your long and distinguished career?"

His answer (in full!) …

*"Remember to tuck the shower curtain inside the bathtub."**

***You get 'em <u>in</u> the door with "location, location, location." You keep 'em <u>coming back</u> with the tucked in shower curtain. (NB: Profit rarely comes from visit/transaction #1; it is a byproduct of coming back/transaction #2, #3, #4 … #44.)**
(FYI: I usually start ALL my presentations with Mr. Hilton and the shower curtain—and the abiding centrality of execution.)

"In real life, strategy is actually very straightforward. Pick a general direction … and implement like hell." **—Jack Welch**

“Costco figured out the big, simple things … and executed with total fanaticism.”

—Charles Munger, Berkshire Hathaway

Do right and damn the odds.
Stagnation is the curse of life.
The best is the cheapest.
Emotion can sway the world.
Mad things come off.
Haste in all things.
Any fool can obey orders.
History is a record of exploded ideas.
Life is phrases.

—First Sea Lord Admiral John Fisher

1/48*: WTTMSW

Whoever Tries The Most Stuff Wins.

***TP/1966-2014**

***(WTTMSW Writ* VERY *Large: Trial and error, many many many trials and many many many errors very very very rapidly will be the rule—think dotcom boom and bust and, in fact, the incredibly valuable residual in terms of entrepreneurial training and ideas surfaced and approaches rejected. Tolerance for rapid learning—and unlearning—will be a, perhaps* THE*, most valued skill. FYI: "Gamers" instinctively "get" this—lots of trials, lots of errors as fast as possible—in ways their error-avoiding elders can only imagine; hence, for this reason among many, "the revolution" is/will be to a very significant degree be led by youth.)**

"The ecosystem used to funnel lots of talented people into a few clear winners. Now it's funneling lots of talented people into lots of experiments."

—Tyler Willis, business developer, to Nathan Heller in "Bay Watched: How San Francisco's New Entrepreneurial Culture Is Changing the Country," the *New Yorker,* 1014.2013

Do (RELENTLESSLY) or … DIE*

(*Literally. Individual. Company. Nation.)

"Experiment fearlessly" ***—BusinessWeek*:**

"Type A Organization Strategies: How to Hit a Moving Target":

TACTIC #1

"Relentless trial and error" ***—Wall Street Journal:***

CORNERSTONE of effective approach to "rebalancing" company portfolios in the face of changing and uncertain global economic conditions.

Optimism, Pessimism, Curiosity, Experimentation

I just rediscovered John Kay's masterful book, *Obliquity: Why Our Goals Are Best Achieved Indirectly*. There's no idea I hold more dear.

John Kay/*Obliquity*: No fan of optimism. Optimists are bound to be disappointed until broken. (POW studies.) (FYI: I agree.)

John Kay/*Obliquity*: #1 leader sin is thinking you know more than you actually do. Life is about discovery, not certainty.

Kay: Overconfidence is Sin #1. Sin #2: See Sin #1.

From Hamlet: By indirection direction find.

Ross Perot: Ready. Fire. Aim.

Act your way into thinking [*invariably*] beats think your way into acting. (Source: me.)

"Tell the truth, but tell it slant. Success in circuit lies."/Emily Dickinson (Source: *Obliquity*, by John Kay)

Vala Afshar: "Strong leaders adopt a beginner's mindset—open, curious, free of prejudice and hungry to explore."

Per John Kay/*Obliquity*:

Overconfidence is Sin #1.

Sin #2: See Sin #1.

Comment: “If not optimism, then what?”

If not optimism, what: Belief in the joy of the next experiment.

If not optimism, what: A bubbling openness to …

Remorseless Experimentation.

If not optimism, what: To me optimism is a lightweight’s disease. I favor avid support for EEM …

Extreme Experimentation Mindset.

If not optimism, what: I am an unabashed pessimist …

but I am driven to the point of clinical madness to … keep on exploring.

If not optimism, what: Curiosity!

***Vanity Fair*: What is your greatest strength? Mike Bloomberg:**

Curiosity.

(From Vala Afshar: "I have no special talent. I am only passionately curious."—Albert Einstein)

Optimist: It'll work next time. Samuel Beckett: "Fail. Fail again. Fail better." (Tech exec: "Fail. Forward. Fast.")

Optimist: I just know it'll work out. Realist: Get off your ass and try something else.

Optimist: Donald Rumsfeld. Realist/borderline pessimist: Dwight David Eisenhower.

Ironclad goals are maximum security prisons. Success invariably translates into ending up someplace wildly different from where you'd imagined.

Mikael Pawlo: "It is easy to be described as a cynic, pessimist or just a plain bore—but never let the optimists get to you!"

Anne Perschel: "Optimist—glass is 1/2 full. Pessimist—glass is 1/2 empty. Realist—drinks what's in the glass while the other 2 debate."

Surprise, Transformation & Excellence Through Spontaneous Discovery: A Personal Saga

***"Thinking is the enemy of creativity. It's self-conscious and anything self-conscious is lousy. You simply must … <u>Do</u> things."*—Ray Bradbury**

***"By indirection direction find."*—Hamlet, II. I**

***"To be playful is to allow for unlimited possibility."*—James Carse**

***"No one rises so high as he who knows not where he is going."*—Oliver Cromwell**

"What are [aircraft designer Burt] Rutan's management rules? He insists he doesn't have any. 'I don't like rules,' he says. 'Things are so easy to change if you don't write them down.' Rutan feels good management works in much the same way good aircraft design does: Instead of trying to figure out the best way to do something and sticking to it, just try out an approach and keep fixing it."*—Eric Abrahamson & David Freedman, Chapter 8, "Messy Leadership," from *A Perfect Mess: The Hidden Benefits of Disorder

***"This is so simple it sounds stupid, but it is amazing how few oil people really understand that you only find oil if you drill wells. You may think you're finding it when you're drawing maps and studying logs, but you have to drill."*—John Masters, *The Hunters,* by John Masters (Masters is a wildly successful Canadian Oil & Gas wildcatter.)**

Summer 2009 was the summer of brush clearing.
And, it turned out, much more.

It started as simple exercise. After a day or two, scratches from head to toe, and enjoyment logged as well, I set myself a goal of clearing a little space to get a better view of one of the farm ponds. That process revealed something else … to my surprise.

At a casual dinner, I sat next to a landscaper, and we got to talking about our farm and my skills with clipper, saw, etc. In particular, she suggested that I do some clearing around a few of our big boulders. Intrigued, I set about clearing, on our main trail, around a couple of said boulders. I was again amazed at the result.

That in turn led to attacking some dense brush and brambles around some barely visible rocks that had always intrigued me—which led to

"finding," in effect, a great place for a more or less "Zen garden," as we've taken to calling it.

Which led to … more and more. And more.

(Especially a rock wall, a hundred or so yards long, that is a massive wonder—next year I'll move up the hill behind it—I can already begin to imagine what I'll discover, though my hunch will be mostly "wrong," and end up leading me somewhere else.)

To make a long story short: I now have a new hobby, and maybe, ye gads, my life's work for years to come. This winter I'll do a little, but I also plan to read up on outdoor spaces, Zen gardens, etc.; visit some rock gardens—spaces close by or amidst my travels; and, indeed, concoct a more or less plan (rough sketches) for next spring's activities—though I'm sure that what I do will move forward mostly by what I discover as I move forward. (What discovers itself may actually be a better way to put it—there's a "hidden hand" here.) As I'm beginning to see it, this is at least a 10-year project—maybe even a multi-generation project.

I proceeded by trial and error and instinct, and each experiment led to/suggested another experiment (or 2 or 10) and to a greater understanding of potential—the "plan," though there was none, made itself. And it was far, far better (more ambitious, more interesting, more satisfying) than I would have imagined. In fact, the result to date bears little or no relationship to what I was thinking about at the start—a trivial self-designed chore may become the engine of my next decade; the "brushcutting project" is now leading Susan and me to view our entire property, and what it might represent, in a new light.

One does not, of course, dare generalize from this piffle to the world as a whole. Nonetheless, the process is consistent with my world view, developed over a space of four decades: "Get on with 'it,' and let 'it' lead you, not vice versa. Be open to surprise, and chase new leads in whatever direction they take you. Where will 'it' (and you) end up? Don't waste your time worrying about it. Fire your launch rockets, grin, and get going with the next experiment-exploration." I believe such an approach is a good personal strategy—and a good organizational strategy as well. I believe, in 2014, that it is more or less the only strategy that stands a chance amidst a wildly gyrating world, about which we can only say one thing "for sure": We ain't seen nothin' yet.

Play ball!

****

Note (more of the same): I got a pacemaker for Christmas a couple of years ago; the #1 no-no is using a chain saw. (The magnetic field is fearsome.) Taking that warning a step farther, I decided to do this project entirely with hand tools. Of course that means more exercise—a good thing. But the "great wonder," again unexpected, is that the resultant slowness and quiet is the de facto engine of my entire spontaneous discovery process.

Note: Some of you will have discovered my implicit debt to the economist-of-freedom, F.A. Hayek. His stunningly clear view of market capitalism as a "spontaneous discovery process" is my intellectual bedrock, my "context" for three decades in Silicon Valley, and now even for my recreational pursuits (which are, as noted, becoming so much more than that).

Note: This was first drafted almost five years ago. Status report 2014: The obsession continues. The experiments continue. The spontaneous discoveries continue. The surprise continues. The snow melt is on as I speak. So out I go!

****

LII. RADICAL Nudgery:
The Little BIG Things

We tend to think big actions are required to induce big change. Nothing could be further from the truth. Marketers have known this—and acted upon it—for decades, perhaps centuries. Recently, the "field" of nudgery has been subject to a Renaissance.

I don't care whether it's new or old—or practiced by marketers or psychologists or economists. It is important and invaluable—albeit with moral downsides associated with "social engineering," growing by orders of magnitude in the age of Web-ubiquity. (The latter, for better or for worse, is not the topic here; the power of the phenomenon per se is the limited point.)

A few (PRETTY DAMNED AMAZING) examples:

Glaring Eyes: -62%

Case: Bike theft rampant in a European city. Test: Put posters above big bike rack areas with a pair of glaring eyes; theft reduced 62% in experimental areas. (PLOS ONE/via the *Atlantic CITIES*/0429.2013)

6.5 feet away = -63%

Case: Serving plate located 6.5 feet or more from dining room table after first helpings are served. Second helpings reduced by 63% versus leaving the serving plate on the table.

Slight curvature: **2X**

Case: "When [designer] Friedman slightly curved the right angle of an entrance corridor to one Las Vegas gaming] property, he was 'amazed at the magnitude of change in pedestrians' behavior'—the percentage who entered increased from one-third to nearly two-thirds." (Natasha Dow Schull, *Addiction by Design: Machine Gambling in Las Vegas*)

Odor #1 vs. odor #2: **+45%**

Case: "Pleasing" odor #1 in gambling machine space vs. "pleasing" odor #2: +45% per machine revenue. Needless to say, Las Vegas sports an entire army of incredible well-trained professionals whose role in life is to attract more patrons to casinos and keep then there as long as possible—machine gambling now accounts for 85% of casino profits. ("Effects of Ambient Odors on Slot-Machine Useage in Las Vegas Casinos," reported in Natasha Dow Schull, *Addiction by Design: Machine Gambling in Las Vegas*)

Size change = **1.5X**

Case: Walmart increases shopping cart size. Sales of big-biggish appliances increase 50%. Impact: millions upon millions of dollars to the bottom line.

Altered Bag sizes = **$B++**

Case: Frito Lay/Pepsico, following a string of new product introduction disappointments, "merely" introduces new bag sizes ("family," "single serve," etc.); instead of cannibalization of prior sizes, entirely new markets are created—billions of dollars in size.

Socks = **-10,000**

Case: NHS/UK estimates that if every hospital inpatient was given compression hose to wear, as many as 10,000 lives lost to DVT/deep vein thrombosis would be saved each year.

Size alteration = **2X/100%**

Case: Change conference room table shape from oblong to round. Number of comments doubles; number of people commenting approaches 100%.

Avatar height = **+Self-Esteem**

"When I work with experimental digital gadgets, I am always reminded of how small changes in the details of a digital design can have profound unforeseen effects on the experiences of the people who are playing with it. … For instance, Stanford University researcher Jeremy Bailinson has demonstrated that changing the height of one's avatars in immersive virtual reality transforms self-esteem and social self-perception. Technologies are extensions of ourselves, and, like the avatars in Jeremy's lab, our identities can be shifted by the quirks of gadgets. It is impossible to work with information technology without also engaging in social engineering."
—Jaron Lanier, *You Are Not a Gadget*

(PLEASE … re-read these cases. The results are nothing short of … STAGGERING.

"Nudgery" is a hyper-potent—and under-applied—change tool.)

Bottom line: This notion applies …

EVERYWHERE.

And: The best news of all is that this process can be applied … ***by***

anybody at any level in any field at any time with little muss or fuss or expense and with very little visibility associated with the failed experiments that will necessarily ensue in large numbers as you work/ RELENTLESSLY EXPERIMENT your way toward something with high impact.

That is:

(1) Amenable to rapid experimentation/ failure "free" (no bad "PR," few $$)
(2) Quick to implement/Quick to roll out
(3) Inexpensive to implement/Roll out
(4) Huge multiplier
(5) An "Attitude"*

(*This is the biggie—a "culture" of everyone "trying stuff" is far harder to instill and maintain than it might first appear.")

Consider a process, perhaps like this:

(1) Half-day session/generate 25 ideas
(2) One week/5 experiments
(3) One month/Select best 2
(4) 60-90 days/Roll out

Have at it.
The rewards could well be a first-order …

WOW!

LIII. The LAST Word* (*For Now)

“Be the best. It’s the only market that’s not crowded.”

—George Whalin (from *Retail Superstars: Inside the 25 Best Independent Stores in America*) (Sure, it’s obvious—but that’s the point. Amidst the madness that leads us to go this way, then that way, then the other way, it’s important to remember that being bloody damn good at … SOMETHING … was and is and will be the immutable bedrock of everything else.) (FYI: *Retail Superstars* is a marvel—even if you are in HR or finance. It’s 25 stories/sagas/tales about the unbridled power of imagination—sagas of people who have turned the ordinary into the extraordinary with such vigor that it makes one—or me, anyway—giggle at times. FYI: In the same vein, read/ingest Bo Burlingham’s *Small Giants: Companies That Choose to Be Great Instead of Big*.)

(*“We are crazy. We should do something when people say it is ‘crazy.’ If people say something is ‘good,’ it means someone else is already doing it.”*—Hajime Mitarai, Canon)

(*“There’s no use trying,’ said Alice. ‘One cannot believe impossible things.’ ‘I daresay you haven’t had much practice,’ said the Queen. ‘When I was your age, I always did it for half an hour a day. Why, sometimes I’ve believed as many as six impossible things before breakfast.’”*—Lewis Carroll)

LIV. The LAST Word (Version TWO)

1/4,096*: ***"Business has to give people enriching, rewarding lives … or it's simply not worth doing."***

—Richard Branson

***A year ago I posted "everything I know" at a new site, excellencenow.com. It ended up being a 4,096-slide, 23-part PowerPoint presentation. Some ONE slide had to go … FIRST. And capture the spirit of the whole shebang. I chose Mr. Branson's quote above to fill the bill. After all, what could possibly be more important???????**

Enterprise (at its best)*: ***An emotional, vital, innovative, joyful, creative, entrepreneurial endeavor that elicits maximum concerted human potential in the wholehearted pursuit of <u>EXCELLENCE</u> in service of others—e.g., employees, customers, suppliers, communities, owners, temporary partners.***

***This optimistic statement of enterprise at its best is extracted from a presentation I gave in … SIBERIA. Is this the likely state of affairs—in Siberia or, for that matter, elsewhere? Probably not. But, in the spirit of Richard Branson above, I must ask …**

WHY NOT?

LV. The LAST Word (Version THREE)

Duh!

(See the next page)

From the *New York Times*/0105.2014, courtesy Adam Davidson,

Planet Money*/NPR:** ***"Contrary to conventional corporate thinking, treating retail workers much better may make everyone (including their employers) much richer."*

***Cited in particular, "The Good Jobs Strategy," by M.I.T. professor Zeynep Ton**

“G-E-N-I-U-S”
Or: A “BLINDING FLASH OF THE OBVIOUS”

Getting more and more cantankerous (short tempered!) about this: ***Job #1 (& #2 & #3) is to abet peoples’ personal growth. All other good things flow therefrom.***

My idea of a gen-u-ine “genius” “breakthrough” idea: ***If you work your ass off to help people grow, they’ll work their ass off to give customer a great experience—which will in turn fatten the “bottom line.”***

LVI. The LAST Word (Version FOUR)

Hallway Intercept: ***If you randomly stop an employee in the hall, and ask her or him to describe in some detail their 2014 Personal Development Plan … will you get a clear (and ambitious/compelling) answer? If you don't get such an answer, I say to you (NOT the employee!) …***

for shame.

LVII. The LAST Word (Version FIVE)

If not, why not: ***Is your***

CTO*/Chief Training Officer your top paid "C-level" job (other than CEO/COO)?*

If not, why not: ***Are your top trainers paid/cherished as much as your top marketers/engineers?***

LVIII. The LAST Word (Version SIX)

"I start with the premise that the function of leadership is to … produce more leaders, not more followers." **—Ralph Nader**

Leaders … ALL!

It is NOT "guru BS": EVERY day brings at least a HALF-DOZEN LEADERSHIP opportunities for EVERY ONE OF US regardless of age/rank/serial #.

If no leadership opportunities have presented themselves today ... TAKE OFF YOUR MASK.

The day's 1st (& BIGGEST!) leadership opportunity is the ATTITUDE you walk into the office with … regardless of any and all "extenuating circumstances."

LIX. The LAST Word (Version SEVEN)

1T/4,096*: ***"You miss 100% of the shots you never take."***

—Wayne Gretsky

This one tied for first among 4,096 with Mr. Branson. Bob Waterman and I put "Bias for Action" at the top of the list of eight winner's traits in *In Search of Excellence*. Meant it then. More important than ever now. Plus: It's a great life lesson for thee and me. I also like this kin from an anonymous Hollywood screenwriter: *"Ever notice that 'What the hell' is always the right decision?"

LX. The LAST Word (Version EIGHT)

"Execution is Strategy."

—Fred Malek*

***Superstar private-sector entrepreneur (my White House boss, 1974).**

LXI. The LAST Word (Version NINE)

Do or Die/Innovate or Die*: ***"Do one thing every day that scares you."***

—Eleanor Roosevelt

***The world of enterprise is living on the edge. So, too, you and I. Hence, we must thrust ourselves into the "discomfort zone" each and every day—to even have a chance of thriving. The problem is, and it's a huge one: The seemingly simple advice here ain't simple at all. The near at hand is onerous enough—there's no time left to venture out into the unknown. But there must be time—you must make the time. And preferably, per Ms. Roosevelt, each and every day. (See also our discussion here about what I call the "Hang Out Axiom.")**

LXII. The LAST Word (Version TEN)

“All human beings are entrepreneurs.

***When we were in the caves we were all self-employed ... finding our food, feeding ourselves. That’s where human history began. ... As civilization came we suppressed it. We became labor because they stamped us, ‘You are labor.’ We forgot that we are entrepreneurs.”*—Muhammad Yunus**

LXIII. The LAST Word (Version ELEVEN)

That "word": **PSF***

(*Professional Service Firm)

Add (SIGNIFICANT) value or …

THE (only plausible) survival trick, I fervently believe, is becoming a de facto (or de jure) "PSF." A business that adds value, stands for

EXCELLENCE & WOW … and executes like a maniac. We are all entrepreneurs: The electrician. The software coder. The logistics genius. And the driver (below) of a 16-wheeler … who turns his "office"/"workplace" into ... Rolling Magic.

LXIV. The LAST Word (Version TWELVE)

"Life is not a journey to the grave with the intention of arriving safely in one pretty and well preserved piece, but to skid across the line broadside, thoroughly used up, worn out, leaking oil, shouting …

'GERONIMO!'"

—Bill McKenna
(professional motorcycle racer)

LXV. The LAST Word (Version THIRTEEN)

"We do no great things, only small things with great love."

—Mother Teresa

"I long to accomplish a great and noble task, but it is my chief duty to accomplish humble tasks as though they were great and noble." **—Helen Keller**

"How wonderful it is that nobody need wait a single moment before starting to improve the world." **—Anne Frank**

"Character may be manifested in the great moments, but it is made in the small ones."
—Churchill

"To affect the quality of the day, that is the highest of arts." **—Henry David Thoreau**

"Everything can be taken from a man but one thing: the last of the human freedoms—to choose one's attitude in any given set of circumstances." **—Victor Frankl**

LXVI. The LAST Word (Version FOURTEEN)

ISOE In < 140 Characters: **In response to a tweet, I summarized *In Search of Excellence*—and thence the last 30+ years of my professional life—in less than 140 characters.**

***In Search of Excellence* basics in 127 characters *including* quotation marks and spaces:**

"Cherish your people. Cuddle your customers. Wander around. 'Try it' beats 'talk about it.' Pursue EXCELLENCE. Tell the truth."

Q.E.D.

LXVII. The LAST Word (Version FIFTEEN)

“Courtesies of a small and trivial character are the ones which strike deepest in the grateful and appreciating heart.”

—Henry Clay, American Statesman/1777–1852/epigraph for *The Little BIG Things*

LXVIII. The LAST Word (Version SIXTEEN)

"McKinsey & Company found that the international companies with more women on their corporate boards far outperformed the average company in return on equity and other measures. Operating profit was <u>56</u> percent higher."

"Research suggests that to succeed, start by promoting women."

Source: Nicholas Kristof, "Twitter, Women, and Power," *New York Times,* 1024.2013

LXIX. The LAST Word (Version SEVENTEEN)

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

—Michelangelo

LXX. The LAST Word (Version EIGHTTEEN)

"Nobody knows anything."

—William Goldman
(screenwriter extraordinaire)

As I walk down the street today (1 FEB 2014) in the small town in New Zealand (Takaka) where my wife and I spend North American winter, I can't help but wonder, *"Well, will things here <u>really</u> be all that different a decade from now?"* Y'know, I'm not all that sure they won't be. *And*: I'm not all that sure they *will* be.

LXXI. The LAST Word (Version NINETEEN)

Reminder: BEFORE you put the car in R or D ...

DEMAND that BACK SEAT SAFETY BELTS BE SECURED. If you don't you're an ... IRRESPONSIBLE JERK.

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THE END

(Except for two Appendices)

Appendix ONE

Getting Things That Matter Done Against the Odds and in the Inky-black Shadow Cast by the Guardians of the Status Quo

***"The art of war does not require complicated maneuvers; the simplest are the best and common sense is fundamental. From which one might wonder how it is generals make blunders; it is because they try to be clever."*—Napoleon**

This essay is *no*t autobiographical—heaven forbid. On the other hand, it is autobiographical—heaven forbid.

The ideas that led to *In Search of Excellence* were welcomed by my employer, McKinsey & Co., like a cold sore in February; partners, almost to the man (and occasional woman), felt that I was betraying the canon that underpinned McKinsey's success—that is, vaulting the usually glossed over "soft stuff," like an abiding emphasis on people and relationships, over the "hard stuff," like developing brilliant business analyses and paper strategies. Today, some say that the ideas from Bob Waterman's and my book, altered and expanded, to be sure, underpin something like a whopping fifty percent of the firm's business. After leaving McKinsey, "they" say I "invented" the "management guru industry"—for better or for worse. In both instances, overstated or not, I was at war with some pretty big folks, and managed to survive and make a bit of progress concerning the ideas about which I was so passionate and with which, I believed, firms of all sorts could increase their odds of sustainable success.

Here's what I think I've learned from my many accumulated cuts and scratches—at least the bits that also seem to match up with the stories of successful people and organizations I've been collecting for the last three or so decades.

Key words:

Passion
Enthusiasm
Knowledge
Positive/NEVER Negative
Allies/Allies/Allies
Credit Sharing/Self Effacement

Presentation Excellence
Listening Skills
Network Obsession
Show up
Keep Showin' Up
Political Mastery
Execution Fanaticism
Indirection/Invisibility/"End runs"
Demos/Small Wins/Speed
Impatience
Patience
Civility
Excellence
Wow
Tenacity/Tireless

As usual, every bit of it is as obvious as the end of your nose. And, as usual, my retort to myself is that in "getting things done" it's overlooking the commonsensical in pursuit of the clever that gets us in trouble. Enough with the preview. On with the show:

1. "Gotta do it" vs. "Wanna do it." Warren Bennis says leaders don't "want to be a leader"; instead there is something they are determined to *do*, and becoming a leader is the only route to getting done that merciless aspiration that hovers over you "24/7/forever." Effective leadership in this context means leading a change or transformation agenda, and implementing such an agenda is invariably painful, if ultimately rewarding. One is rarely willing to endure such pain for an extended period (years, even decades!) unless the cause is perceived as a mighty one. In my case, the work that led to *In Search of Excellence* was incredibly painful … and a labor of pure love. I had a contrarian view of the world in the eyes of the high and mighty (of which I was decidedly not one!), and I wanted desperately to have and hold onto the opportunity to inject that view into McKinsey's rarefied world, and indeed the world at large. "Working the content was my first love"—but I became painfully aware that to make a difference meant spending 80 percent of my time, for years on end, plunging headlong into corporate politics at the headquarters level; it also required painstakingly, and often sub rosa, building and nurturing a base of allies. I ended up spending a lot of time on things I found irritating and with people whose company I did not enjoy—and in fact got fired in the process and emotionally battered beyond the recognition of even my best friends. Only the "gotta do it" essence of the work saved my soul and skin—in the long run. In my study of large-scale organizational change, my story is as ordinary as ordinary can be.

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Warren Bennis says leaders don't "want to be a leader"; instead there is something they are determined to do, and becoming a leader is the only route to getting done that merciless aspiration that hovers over you "24/7/forever."

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2. **Um, know what you're talking about before you open your mouth! Don't "go public" until you "know your stuff" cold and have tested it a gazillion times, out of the public eye, with supportive colleagues. To be sure, you'll learn one helluva lot more as you go along, and alter your pitch more times than you can count.** ***But make damn sure the substance is good and wide and deep and the data are rock-solid reliable and that you refer to outside superstars (e.g. folks who've made similar things work and pay off, perhaps academics who can add solid-gold intellectual confirmation);and make sure you can respond effectively to most any challenge, legitimate or petty.*** **(Though respond gently, oh so gently and humbly, allowing as how there *are* other views that may be just as powerful—arrogance is so so easy to exude since you "love your stuff" and in your mind your argument is unassailable as any fool should be able to see.) (In my case, I was very comfortable that my basic premise was sound and that I had the evidence to "prove it" and the experts to support it, while at the same time acknowledging—with a smile, brother, always with a smile—other points of view.) (This point is so very obvious—yet your faith and belief in what you're doing may lead you to "go public" before you are ready to intellectually defend or masterfully deflect every sort of fair and unfair challenge.)**

3. **You need a straight-shooter who will tell you if you are off the mark, stylistically as well as substantively. Relative to the likes of arrogance (see immediately above), you've got to have a buddy who will give you private-unvarnished feedback on how you come across—you see yourself as a paragon of patience, but she says your body language exuded borderline contempt.** ***(You also need a longtime buddy who will hum lullabies in your ear when you've just had the shit beaten out of you—which will regularly occur if you're on to something big.)***

4. **Stay positive even if (especially when) the pain is killing you. Never ever ever ever ever "go negative"—no matter how stupid you think the other guy's argument is and no matter how many shots you've taken. No, you need not resort to silly-grin-positive, but you must look comfortable and matter-of-fact playing the game and taking the heat. (Maybe "affable amidst shitstorms" is a more appropriate term than "positive"?)**

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Never … EVER EVER … "go negative."

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5. **Never ever sell "up" the chain until you have your compelling demos in place and your "base" of "real people" rooting for you—i.e., you have the bastids surrounded. In general, "selling up" is a stupid idea for a project or program champion. At least not until you have so well paved the road forward with successful trials and allies and outside supporters that you are almost guaranteed to prevail. Even then, there are two more rules: First, sell up in private if you've got an ironclad case; this gives Madam Director the chance to jump aboard, co-opt you, and act around her colleagues as if it'd been her brilliant idea from the get-go. Second, get out of the spotlight and stay out of the spotlight and let field supporters who've done successful trials do the selling—and let them take 100.00% of the credit. (If due, the credit will bounce back on you anyway—and who cares about credit, the point is getting your "it" done—right?)**

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In general, "selling up" is a stupid idea for a project or program champion.

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6. **Always let others take the lion's share of the credit—while you take *all* the heat! Want to turn an "interested" ally into a "frothing supporter"? Let her take the credit for successes while you take the bullet for foul-ups! Hey, see #1 above: You're in this because you simply must get your "it" done—not to revel in personal glory. (If the latter, fuggetabout the whole deal.)**

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Want to turn an "interested" ally into a "frothing supporter"? Let her take the credit for successes while you take the bullet for foul-ups!

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7. Encourage others to achieve real "ownership" by visibly influencing the core design. Allies, to be resilient allies (and your allies will take shots, too), must have ownership. Co-design supporting projects in which they take the lead. Make sure they get their 25-cents worth in on all key design issues—and get at least a little bit of what they want, so the design becomes their very own. Sometimes their additions may add little or nothing substantively, or even set things back a smidgeon—no matter, they must perceive that they own it and that they are the ones whose contributions took the project over the top and without whom things would have imploded.

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They must perceive that they own it and that they are the ones whose contributions took the project over the top and without whom things would have imploded.

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8. Always be open to alterations no matter how complete you may think this or that item is. Folks are put off by "finished products"—even if they are in a flat-out rush for that finished product. "Theys" always want to feel that you *welcome* another tweak or piece of advice from them. If your presentation, for example, is too smooth, you will de facto be exuding know-it-all-ism; that's not bad—it's *very* bad.

9. Am I being clear: Your goal is invisibility! This thing you want to do is a big deal. In private, you froth at the mouth about its obvious change-the-world character and decry the stupidity of the idiots who are blocking you. That is, you are in fact and by definition unstable. (True of 100% of folks in the history books!) Hence, you will win by keeping as far from the limelight as possible and making sure that as many "sane" people as possible get as much of the credit for any

successes as possible. ***You are a human lightning rod! You will be as successful as your invisibility cloak is impermeable.***

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Hence you will win by keeping as far from the limelight as possible and making sure that as many people as possible get as much of the credit for any successes as possible.

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10. **It's all politics all the time—live with it! Any serious change project challenges the status quo—and the current hierarchs who are the official guardians of the status quo—even when, or, ironically, especially when their institution is under frontal assault from outside forces and they are fully aware of the extent to which they need significant change. This is the field on which you are playing the game—act accordingly. Learn to live with reversals, to live with conflicts that are years old between Ms. X (a VP) and Mr. Y (also a VP) relative to which you become collateral damage. Some sage said, "Politics is the art of getting things done"—hence, it is your bread and butter and steak and potatoes and nachos and burritos. Politics is *not* "a necessary evil." Politics is life if you want to fight the status quo. FYI: There are no innocents among the winners. There is no such thing as a "successful change agent" with spotless hands.**

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Politics is not "a necessary evil." Politics is life if you want to successfully upend the status quo. There is no such thing as a successful change agent with spotless hands.

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11. **You need a "pulling guard." I dislike using football analogies, but I'll make a rare exception here. As you may have learned from Michael Lewis' book *Blind Side* (there was also the movie with Sandra Bullock), the lineman who protects the star quarterback, labeled the "pulling guard," is frequently the highest paid player on the team: That is, the protector is seen as more valuable in monetary terms than the principal he's protecting. Translation here: While I advised you not to "sell up" prematurely, I do advise you to move heaven and earth to land a well-placed senior**

to protect you. Had the organization-effectiveness project initiator at McKinsey not assigned me a potent and positively disposed "pulling guard," I would not be writing this paper. My pulling guard, Bob Waterman, who became my co-author and close friend and soul-mate, expended a ton of time and political capital over a four year stretch keeping me on life support. The good news, at least in somewhat sizeable organizations, is that you can likely find a semi-renegade supporter near the top of the hierarchy if you keep your eyes peeled and master the subtle come-on.

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I strongly advise you to move heaven and earth to ferret out and land a well-placed senior to cover your back.

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12. When people start stealing stuff from you, you are making enormous progress. After all the whole point is to be stolen from—i.e. have "them" leading the way on implementation. And at its best, they don't remember who they've stolen from—that is, they have internalized the program as a fact of daily life. Hooray!

13. Spend eighty (!!) percent of your time on allies—finding and developing and nurturing allies of every size and shape is the name of the winning game. *Taking allies for granted, assuming they are on board because of an initial show of support for example, is the kiss of death—and is as common as dirt.* You are in a war zone, surrounded by bad guys—their delay tactics sap 101% of your physical and emotional energy. Hence, you have nothing left to give, and you end up assuming your allies are still with you and available as needed. Wrong! Wrong! Wrong! You *must* find the time and make the time all the time for those allies—with little touches as well as big ones. Allies must be constantly (Constantly = Constantly) reminded of how important they are and how critical their support is—even when they are not in positions of power. To some (large?) extent, collecting allies is at least as much a numbers game as a power game. Sure, I pulled the precise number eighty (80% of your time) out of thin air; but I think that's about right. To mind your allies this intensively is to dramatically increase the odds of success; to fail to do it is the near guarantee of death. (You have got a ton of "substance stuff" to do; there's no bloody time for a "social" lunch with Ms. X or Mr. Y, just to make sure they are up to speed and purring—and developing their own set of allies for the cause. Oh yes, there is time—believe it!) *(This item is perhaps the #1 reason I am writing—that is, this essay stems from a discussion with a harried big-change agent about the importance of fired-up allies, and the amount of effort that must necessarily go into keeping them fired up.)(Think about presidential elections in the U.S.A.—hard not to in 2012. An enormous share of the candidate's time goes into "firing up the base" and "getting out the vote" to make sure allies come through in overwhelming numbers.)*

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Taking allies for granted, assuming they are on board because of an initial show of support for example, is the kiss of death—and is as common as dirt.

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14. Lunch! Relationship construction and maintenance is the key to success at, well, pretty much everything. And the best and most readily available setting for relationship building over the long haul, and regardless of the value of the new "social media," is … LUNCH. Hence, it is axiomatic: Never (I'm almost serious) waste a lunch! I call it "the sacred 240 at bats," injecting a little baseball into the conversation. That is, assuming about 240 work days a year, you have 240 lunch opportunities—a/k/a "at bats." Each lunch not devoted to relationship building is lost, yes, and I don't care how silly it sounds, forever. While I'm not in fact asking for quite this much single-mindedness (there are a few other things to do), I'm sure you get the point.

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You will be as effective at damn near anything as your R.O.I.R.* is high. (*Return On Investment in Relationships.) Which means: Never waste a lunch!

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15. Your power does not come primarily from the number of Big Dudes you've convinced—it comes from the demonstrated commitment of your growing Band of Sisters and Brothers. Someday, quite a ways away, you will doubtless need to assault the hierarchy—and at that point a few friends in high places don't hurt in the least. But you don't make the push for the summit, until, mixing a metaphor, the game has, in effect, already been won. Your success in fact will have come from recruiting an army of folks of all ranks and from hither and thither and especially yon. These are the ones who test your idea in the real world and help modify it 1,000 times to get it just right. These are the ones who like what they see and who subsequently infect their networks. It's quite a bit like MLM—Multi Level Marketing. Networks beget networks beget inevitability begets success begets more success.

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Networks beget networks beget inevitability begets success begets more success.

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16. **Ideas suck! Demos rule! A great idea is obviously essential but will only get you part of the way down the field. Perhaps 1.5 feet on a 100-yard field. It's increasingly compelling and sophisticated demos-prototypes-*"small wins"* that do the heavy lifting. And the lifters are the allies who invest their time and energy into launching and nurturing those demos. You must start the demo/partial-demo process immediately—long before you are "ready." To get this "it" right—effective and implementable and compelling—you need to get underway ASAP. This is, once more, a plea to recruit and nurture and hide and cuddle allies—the typically rather powerless (officially) ally who is turned on by the idea and willing and eager to give some version of it a try. Right now!**

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Ideas suck! Demos rule!

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17. **Demos are cool. Stories are cooler. The research is clear. Even when the idea is incredibly sophisticated, in pursuing funding or implementation … BEST STORY WINS. That is, you must take the next step, and turn the successful demo in Podunk into a "compelling yarn" about the goal and the process and the impact and the people affected. No one, literally no one, including the most analytic guy in the room, is immune to a terrific tale. (NB: Storytelling is a true art form that must be mastered to be effective.)**

18. **WTTMSW. WTTMSTFW. WTTMSASTMSUTFW. I call it "the only thing I've learned for sure in 48 years." (I.e., since my first job as a junior Seabee officer—combat engineer—in Vietnam in 1966.) The inimitable H. Ross Perot calls it … "R.F. A."**

Namely:

WTTMSW/Whoever Tries The Most Stuff Wins.
WTTMSTFW/Whoever Tries The Most Stuff The Fastest Wins.
WTTMSASTMSUTFW/Whoever Tries The Most Stuff And Screws The Most Stuff Up The Fastest Wins.
R.F.A./Ready. Fire. Aim.

And Wayne Gretzky: "You miss 100% of the shots you never take."
And Samuel Beckett: "Fail. Fail again. Fail better."

Works for me!
(Yup, only thing I've learned "for sure" in 48 years.)
(FYAmusement: My 1977 Ph.D. dissertation was labeled the "small wins theory.")

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"We made mistakes, of course. Most of them were omissions we didn't think of when we initially wrote the software. We fixed them by doing it over and over, again and again. We do the same today. While our competitors are still sucking their thumbs trying to make the design perfect, we're already on prototype version #5. By the time our rivals are ready with wires and screws, we are on version #10. It gets back to planning versus acting: We act from day one; others plan how to plan—for months." ***—Bloomberg by Bloomberg***

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19. **Stay away from "headquarters"—even if you, personally, are domiciled there. "Headquarters" is by definition the home of the defenders of the status quo—and**

the home of the dirtiest inside politics. You want to build your army of allies from the outside in—"Away" is the best place to do that. And "far away" beats "away"—at least in the earlier days. (Sometimes I call this the "4F strategy." That is … Find a Fellow Freak Faraway. We need to rack up those demos, and out of sight is the safest location—so find a soul mate in the Timbuktu distribution center, and get on with a prototype … NOW.) (This *is* a Big Deal. In my case, McKinsey HQ—and indeed its politics—was New York. And Bob Waterman and I were in San Francisco. Out of sight by 3K miles, out of mind—and in sight mostly on our terms. That was no small part of our success.)

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Early demos/4F "strategy": *Find a Fellow Freak Faraway.*

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20. Outside In. My success at McKinsey was largely thanks to clients. I'd tag along with one of my friends on one of their assignments, and try to find a way to apply some piece of my stuff. In fact, those clients were often more interested than my McKinsey partners—on several occasions they invited me to speak rather formally to their exec teams, which upon occasion led to new work. Likewise, I found several outside publications (such as *BusinessWeek*) that wanted me to write up some aspect of our effort. While any number of the powers that be wanted me to be subject to a formal gag order, they were reluctant to push back against clients. I subsequently heard some of the details of my election to partner. Numerous reasons to oppose me surfaced, but the senior partner (not Bob Waterman) pleading my case won the day with, more or less, "I understand your reluctance and share many of your concerns, but we're stuck here. Clients, virtually without exception, sing his praises, so I think we'll have to bite our tongues and vote him in." (They bit said tongues and voted "Yes.") The obvious point: Establishing an outside power base can significantly increase your immunity to the determined attacks by powerful inside forces.

21. You must not let your enemies absorb your time—or, especially, your emotional energy! Smile at 'em. Sidestep 'em. Never ever confront 'em. Remember, our strategy is 100% positive: to build and cultivate a mostly invisible, army of allies who are busily collecting data (those demos-prototypes-"small wins") and in turn recruiting their own allies. You must keep this in mind all the time. Your passion is your best friend—and worst enemy. It keeps you going "25/8"—but it also fosters an instinctively confrontational attitude, especially after months or even years of "25/8." Don't give in to anger, internal or external. Your ability to control your enemies is … ZERO … on a scale of zero to infinity. Act accordingly. (Plus, enemies wear you out. And turn you sour, where "sour" is the ultimate de-motivating no-no.)

22. ONLY positive sells. Don't sell against. Demo for. No: *"I am here to tell you how f%^&* our purchasing procedures are ..."* Yes: *"You wouldn't believe the new type of information services purchasing agreement we tried in the Albuquerque field office—results buggered our mind. Here's the deal …"*

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Don't sell against. Demo for.

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23. It's not about "beating" "the other guys;" it's about your vision supplanting (occupying more space than) their vision. In your mind "all this" is or becomes a competitive struggle with the forces of right confronting the forces of might. Well, leave that "model" in the cupboard. We win when our project is up and purring and has become the new (EXCELLENT) way of doing things. Your victory is the success of your implemented "it," and the degree to which your successful allies have forgotten it was you who started the ball rolling—it is not the amount of blood spilled or enemies vanquished. Moreover, it's never over until never—you want those "enemies" to find a gazillion ways to win in their own minds: E.g. as you proceed, invite them to make changes to "your baby"; they are smart cookies—and doubtless have a great deal to contribute, and, experience suggests, if the project pans out big time, they'll pretend they were among the earliest adopters.

24. Be civil at all times! I cannot concoct powerful enough phrases to explain how important this is! *When you are civil and mannerly and thoughtful—you are, effectively, invincible.* Your fire inside keeps you burning bright; it is imperative. And your passion in public, within some limits, is priceless. But do not ever ever ever allow your passion to be translated into rudeness. Civil is good—for a host of life-asserting reasons. But civil is also "practical" and a "tool" which provides bedrock for the long haul struggle for your "baby" to prevail. "You know, he is pushy, and I'm not sure I buy his act, But you see it—in a passel of little gestures—he's a very decent and thoughtful chap." Oh my God, those words spoken by someone two levels above you in the hierarchy are worth so much more than their mere weight in gold. Discipline yourself on this! Make sure that your straightshooter-truthteller (see #3 above) is ordered to raise unmitigated hell with you when you veer off the course of civility by even a single degree.

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When you are civil and mannerly and thoughtful—you are, effectively, invincible.

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25. Send "Thank you" notes! Send 'em by the truckload! Make that trainload!

Send 'em every day. Make this an ironclad … *daily* … ritual*: Thank anybody and everybody who gives you a big hand or a small hand or any hand at all.* Especially thank those in the "bowels of the organization"—that is, the unsung heroes who, if turned on, will move heaven and earth for you. In *Denial of Death,* Ernest Becker wrote, *"Society is a vehicle for earthly heroism. Man transcends death by finding meaning for his life. It is the burning desire for the creature to count. What man really fears is not extinction, but extinction with insignificance."* I believe a candidate for most powerful word in the English language is … Acknowledgement. People, per Dr. Becker, crave acknowledgement. If you become Acknowledger-in-Chief/Thanker-in-Chief, you will have taken a giant step toward implementation of your baby. (I once wrote a paper on implementation that subsequently appeared in *The Pursuit of Wow*—on a list of 30 items, I put "Send 'Thank you' notes" … FIRST!)

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***"Courtesies of a small and trivial character are the ones which strike deepest in the grateful and appreciating heart."*—Henry Clay**

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26. Read/Ingest/Apply Dale Carnegie's *How to Win Friends and Influence People*. Then re-read it every six months. It is, in short, the implementer's bible.

27. Work harder than the next guy. You may be the "radical" trying to upset the applecart, but it will help—a lot—if you are seen as a … Very Serious Person. That is, I (imagine me as one of the bad guys) may disagree with what you're doing, but I can't fault you for not being an outrageously committed, outrageously hardworking player. (Oh yeah, and hard work pays off in and of itself.) (TP axiom: "Work hard" > "Work smart.")

28. Show up on time for every meeting. I suppose this is a variation on civility. When I started my McKinsey adventure, one of my senior mentors sat me down and said, "Show up for meetings early. Dress conservatively. Modulate your voice. Don't give those who oppose you on substance any chance whatsoever to discount you based on 'the little things.'" It was as good a piece of advice as I've ever been given. Inside you're fire-engine red. Outside you're an affable guy wearing a black suit with a sedate tie. (Men, that is; I'd never even consider advising women on attire!)

29. Show up! *The too-oft-repeated Woody Allen line about showing up being 80% of success will here be re-re-repeated because it turns out to be true.* (1) Showing up is the best way to offer support. (2) Showing up is the best way to schmooze. (3) Showing up is the best way to become a presence. (4) Showing up means volunteering for a "trivial" assignment that gives you an opportunity to demo/showcase some part of your "it." (5) Showing up fosters serendipity—which is always the #1 cause of success (no kidding).

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Showing up fosters serendipity—which is invariably the #1 cause of success.

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30. Show up anywhere and everywhere! There is no such thing as a "minor opportunity." Any opportunity to talk about your stuff or demo your stuff is a golden opportunity. Political mastermind Patrick Caddell coined the term "the permanent campaign." Well, that's you. Anyone of any rank anywhere who offers you the chance to declaim on your project is a friend in need and a friend indeed. Many of the great entertainers spent years in nightclubs the size of a thimble trotting out their stuff. *No, there's no such thing as an opportunity with the label "too small."*

31. **Keep showing up! When the consummate diplomat Richard Holbrooke died, the consummate diplomat Henry Kissinger said, *"If Richard calls and asks you for something, just say 'Yes.' If you say 'No,' you'll eventually get to yes, but the journey will be very painful."* In my own brief White House stint I was able to get a few things done. Busy people had far higher priorities than me and my little program. Hence the fact that I kept comin' back at 'em often carried the day—I was not asking for the moon, and if they'd just say yes, I'd vanish from their harried life.**

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***"One of my superstitions had always been when I started to go anywhere or to do anything, not to turn back, or stop, until the thing intended was accomplished."*—U.S. Grant**

***"Whenever anything is being accomplished, I have learned, it is being done by a monomaniac with a mission."*—Peter Drucker**

***"The reasonable man adapts himself to the world. The unreasonable one persists in trying to adapt the world to himself. Therefore, all progress depends upon the unreasonable man."*—G.B. Shaw**

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32. **All sales all the time! We've all heard the famous Gandhi line: "You are the change you wish to see in the world." Or another I like, "It's always showtime." You = Your (pet) project. Everything you do, wee or grand, should be congruent with the project. Translation: Championing a project is signing-up-for-sales 60/60/24/7. Follow the advice of one extremely successful Hollywood producer: Become a "Ph.D." student of the sales process! This fellow had hit a wall; his creative work was not making it through the door; he then spent a year reading sales texts, attending sales seminars, etc. He became via brute force a master salesperson—the rest, as 'tis said, is history.**

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You are "in sales." PERIOD.
Sales is what you "do." PERIOD.

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33. Suck down for success! Your goal is selfish—get the whole damn organization working for you! Garner an "unfair share" of attention, even though you may be a relatively junior person. Well, it can be done! *If you … suck down*. In the saga reported in *Charlie Wilson's War,* CIA mid-level staffer Gust Avrakotos made miracles happen—far above his pay grade. Author George Crile put it this way, *"He had become something of a legend with these people who manned the underbelly of the Agency."* Avrakotos knew every "top floor" CIA executive secretary by name—and had helped many of them sort out personal or professional problems. The folks in the mailroom and in the bowels of computer operations were also the subject of Gust's intense and affectionate attentions. In effect, you could say that Gust was Commander-in-Chief of the "Invisible 95%" of the Agency—which allowed him to make extraordinary things happen despite furious resistance from his bosses and bosses' bosses sitting atop a very rigid organization. There's a lesson to be learned from Mr. Avrakotos, and a big one. Take heed! Work the "underbelly" as if your life/success depended on it; to a large extent, it does—or could.

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Suck down for success!

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34. Sweat the details. And sweat and sweat and sweat … Asked, at a gala honoring his career, to reveal the secrets to his monumental successes, Conrad Hilton replied, in full: *"Remember to tuck the shower curtain into the bathtub."* "Location, location, location" is important to the hotelier—but it's the tucked-in shower curtains that keep the guests coming back—which is the source of all profit. In your case, your idea is scintillating beyond measure. (Of course it is!) But it will rise or fall on the details of execution—that all-important "last 99%" as one of my McKinsey bosses put it. (This was the Steve Jobs secret, eh? The "points of perfection" are what most set Apple apart.) Your allies must be much more than simply beholden to your great idea—they must be "execution fanatics" in a way that makes each demo, even if half formed, a paragon of Excellence.

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***"Execution is strategy."*—Fred Malek**

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35. **"We." "We." "We." We." It may be pap, but it's the whole truth—and all too often honored in the breech: Execution is a team sport. One small manifestation of that: Always and without fail use the word "We" per se—and hold the "I." Mayo Clinic's greatest point of differentiation is not medical genius, but, in fact, team medicine—a clinic staple since its founding over 100 years ago. One high-powered doc said that Mayo's approach made her … *100 times* … more effective than she had been in her prior professional positions. Mayo starts at the start: When interviewing candidates, the interviewer actually counts the number of times the applicant uses the word "We" vs. the number of times she or he uses the word "I."**

36. **Party time! Celebrate the "small wins." Celebrate the tiniest milestones achieved. Celebrate our newest friend signing up. Celebrate the fact of the journey per se. Our "it" is, after all … A Full-fledged Adventure in Wow! And we should enjoy the pirates' voyage upon which we're embarked. In the best sense, make those who haven't joined up jealous of the quest we're engaged in. Induce them to join the parade. This … right here, right now … is where the coolest of the cool roost.**

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Celebrate the fact of the journey per se. Our "it" is, after all … A Full-fledged Adventure in Wow! This … right here, right now … is where the coolest of the cool roost.

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37. **Sweat the details II: Maximize TGRs. The magic of Apple products are the scads and scads and more scads of little touches—we Apple users are the beneficiaries of Mr. Jobs' advanced case of OCD. Likewise, I began my last book, *The Little BIG Things* (the title gives away the strategy contained therein), with a story about squeaky clean restrooms with voluptuous fresh flowers at a roadside restaurant which has won my enduring custom. I also call this idea "TGWs vs. TGRs." That is, as we should we worry ceaselessly about quality—minimizing TGWs, or Things Gone Wrong. (The term originated in the auto industry.) The other side of the coin, of equal importance, are TGRs, or … Things Gone Right. It's those sparkling, flower-festooned restrooms; or the**

bank that measures (true!) the number of dog biscuits it gives away each year—it wants customers in the branches rather than using the ATMs; inside is better for selling new products. Bottom line: In developing your project (an internal system, not just a customer-facing product or process), focus—like Apple—obsessively and explicitly on maximizing those TGRs!

38. Take breaks. You'll doubtless give little or no heed to this. And you will pay a terrible price—personally and probably professionally. It's elementary—you must recharge your batteries, and in a full-assed, not half-assed, fashion. You are fighting city hall, and it is grueling even though it is a labor of love. Problem: We are rarely aware of our degree of burnout. That is, until we take a break or break down—upon return we are astonished, as are our colleagues, at how refreshed we are, and how obvious it is in retrospect that the tank had been 90% empty. Bottom line:

Fresh matters! (In addition to thinking straighter, your attitude is by definition better, your cynicism is tuned down a notch and you are, thence, a better representative of and salesman for your idea.)

39. Form an Advisory Board in pretty short order. I urged you not to "sell up"—at least not until you've recruited a sizeable base of allies and done a significant set of demos. This suggestion doesn't contradict that idea, because we're talking here about proven "friendlies." Call upon some of your prior supporters (e.g., past bosses) and a couple of rather well-credentialed outsiders and cobble together an official or semi-official Advisory Board of a half dozen—which may subsequently grow to twice that size. There is, to be sure, "PR value" here. But the long-term key is to take the Board very seriously—de facto appoint them as your coaches. Along the way, you are also trying to convert them into vigorous semi-public salespeople for the project—moreover, each of them doubtless has an invaluable network which could be of direct or indirect use to your venture.

40. Talk! *You will rise or fall on your presentation skills.* Meaning presentations of every flavor—from the 90-second elevator spiel to the formal 2-hour presentation, presentations to your team and to the Board. How do you become a notably good presenter? By presenting! Then studying the output. Then presenting some more and analyzing some more. To pursue your dream effectively is to pursue sales fulltime is to work your way toward presentation excellence. The key word: Work! (There are very few if any "naturals.") When asked, as I frequently am, what my presentations "secrets" are, I unfailingly respond: "Giving 3,000 presentations."

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***"In classical times when Cicero had finished speaking, the people said, 'How well he spoke,' but when Demosthenes had finished speaking, they said, 'Let us march.'"*—Adlai Stevenson**

When asked, as I frequently am, what my presentation "secrets" are, I unfailingly respond: "Giving 3,000 presentations."

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41. Listen! I have argued elsewhere that listening is anyone's or any organization's potential "#1 strategic differentiator." I mean it! The good news, a la presenting as just discussed: One can literally become what I call a "professional listener." That is, one can study and practice and improve. This is particularly important to project champions. You are dying to tell everyone you meet about your fantastic project that's going to turn the world upside down. Hence you collar them and … TALK.

No!
No!
No!

Resist. Give them a flavor, a tease about what you're up to and get *them* talking. ASAP. You are, after all, trying to get them to own the idea—we only do that when we have an exchange rather than be on the receiving end of a harangue!

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An *obsession* with] Listening is ... the ultimate mark of *Respect*.
Listening is ... the heart and soul of *Engagement*.
Listening is ... the heart and soul of *Kindness*.
Listening is ... the heart and soul of *Thoughtfulness*.
Listening is ... the basis for true *Collaboration*.
Listening is ... the basis for true *Partnership*.
Listening is ... a *Team Sport*.
Listening is ... a *Developable Individual Skill*.
Listening is ... the basis for *Community*.
Listening is ... the bedrock of *Joint Ventures that work*.
Listening is ... the bedrock of *Joint Ventures that grow*.

Listening is ... the core of *effective Cross-functional Communication.
(*Which is in turn Attribute #1 of organization effectiveness.)**
Listening is ... the engine of *superior EXECUTION.*
Listening is ... the key to *making the Sale.*
Listening is ... the key to *Keeping the Customer's Business*.
Listening is ... *Service*.
Listening is ... the engine of *Network development.*
Listening is ... the engine of *Network maintenance*.
Listening is ... the engine of *Network expansion*.
Listening is ... *Social Networking's "secret weapon."*
Listening is ... *Learning.*
Listening is ... the *sine qua non of Renewal*.
Listening is ... the *sine qua non of Creativity*.
Listening is ... the *sine qua non of Innovation*.
Listening is ... the core of *taking diverse opinions aboard*.
Listening is ... *Strategy*.
Listening is ... *Source #1 of "Value-added."*
Listening is ... *Differentiator #1.*
Listening is ... *Profitable. (*The "R.O.I." from listening is higher than from any other single activity.)**
Listening is … the bedrock which underpins a *Commitment to EXCELLENCE!*

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One can literally become a full-fledged "professional listener."

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42. EXCELLENCE.

If not, what the hell is the point of all the agro that comes your way?

43. WOW! **Redux: If not, why bother?**

44. PERSIST! **If it's important and contrarian, there will be reversal after reversal after reversal. (If it's not important things will go smoothly—hence if things are going smoothly, then what you are doing is unimportant. No kidding.) You must hang in. (Some wag said, "Success comes to those who are best at 'Plan B.'" Indeed.) The stupidest statement I know is "Know when to hold 'em, know when to fold 'em." There's some truth in it regarding tactics. But as to the main event, let me put it succinctly: No one makes it into a history book who "knows when to fold 'em." PERIOD.**

****

Success = 72.1.5.909: On 13 July 1848, six women met in Seneca Falls, NY, and de facto launched the suffrage movement in the United States. Seventy-two years, one month and five days later, the suffrage amendment to the U.S. Constitution became law. Along the way, there were, among other things, at least 909 elections of one sort or another concerning this issue.

72 years, 1 month, 5 days and 909 elections is my operating definition of persistence.

And yours?
So: Keep on keepin' on!
Bon chance!

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In no sense do I consider this list complete or sacrosanct. Rather, it comes under the heading of "some stuff that might spur a thought or two"—maybe even three! One can dream, eh?

West Tinmouth VT/14 May 2012

Appendix TWO

Systems Have Their Place:
SECOND Place

Tom Peters

01 March 2014

"If I could have chosen not to tackle the IBM culture head-on, I probably wouldn't have. My bias coming in was toward strategy, analysis and measurement. In comparison, changing the attitude and behaviors of hundreds of thousands of people is very, very hard. [Yet] I came to see in my time at IBM that culture isn't just one aspect of the game—it <u>is</u> the game."

—Lou Gerstner, former chairman, IBM

Foreword

There is no doubt whatsoever about the importance of systems—even in a one-person business. For most of us, the "to do" list—a system if ever there were one—is an imperative aid to making it through the day. On the other hand, there is an other hand. That "to do" list is utterly worthless without the will and discipline to follow up with execution—i.e., actually doing the "to dos." And if that execution and doing involves others' help, as it usually does, then our attitude will differentiate between success and failure.

Fact is, we could get by without the system—the "to do" list per se. But we could not get by or get anything done without the "culture"—the discipline to follow up and attitude required to effectively work with others.

Hence, the title of this paper: "Systems Have Their Place: SECOND Place." Herein are 10 cases—from the U.S. Air Force to Mayo Clinic to Toyota—in which systems, though of the utmost importance, were toothless without the "right" "organizational culture" to abet and sustain performance excellence.

Systems Have Their Place: SECOND Place

> "***With ISO 9000 [quality standards] you can still have terrible products. You can certify a manufacturer that makes life jackets from concrete, as long as those jackets are made according to the documented procedures and the company provides next of kin with instructions on how to complain about defects. That's absurd."*—Richard Buetow, Motorola**

> ***"If I could have chosen not to tackle the IBM culture head-on, I probably wouldn't have. My bias coming in was toward strategy, analysis and measurement. In comparison, changing the attitude and behaviors of hundreds of thousands of people is very, very hard. [Yet] I came to see in my time at IBM that culture isn't just one aspect of the game—it <u>is</u> the game."*—Lou Gerstner, former chairman, IBM**

The research that eventually resulted in the publication of *In Search of Excellence* began in 1977. The story is rather long, but the bottom line is that American business was under frontal, and successful, assault, mainly from quality-obsessed Japanese enterprise. The problem, in my and my colleagues' view, was largely one of misdirected priorities—namely, American managers' overwhelming emphasis on business strategy and "the numbers first and foremost"—at the expense of people and quality and execution. Eventually, my partner Bob Waterman and I locked onto a group of American companies (subsequently labeled "the excellent companies") that were mostly "doing it right," also in the face of stiff competition, and had never lost their focus on what we labeled "the basics." Our shorthand for the research results was captured in six words: "Hard is soft. Soft is hard."

***Hard is soft*: The typical base of "modern management" is mechanical—emphasizing numbers and systems. Yet there is nothing easier than fudging the numbers (look at the likes of Enron and Lehman Brothers); and, alas, most systems quickly become hothouses for exponentially increasing and inevitably debilitating bureaucracy. That is, these "hard" ideas, the bread and butter of MBA programs and consultancies, are anything but "hard," inviolable truths. Both numbers and systems are, to be sure, unquestionably imperative for running the small business as well as the giant—but they are not the bedrock.**

Note: This paper indirectly stems from the current American presidential primaries. Two candidates suggested that the Department of Defense's wasteful ways could be curbed by ordering the adoption of "6-sigma management." Having put in two years of Pentagon duty as a naval officer (1969–1970), I was struck by the hilarity of such a notion; I'd observed the "adoption" of miracle systems before in the DOD (PPBS/Program Planning and Budgeting System, the brainchild of Robert McNamara), and watched their inevitable byproducts—*more* bureaucracy and *more* waste. Moreover, ideas like this, and the issues associated therewith, are near the heart of my last 35 years of professional work. Hence, with some outside urging, and with no political axe to grind on this score, I prepared this brief paper.

“With ISO 9000 [quality standards] you can still have terrible products. You can certify a manufacturer that makes life jackets from concrete, as long as those jackets are made according to the documented procedures and the company provides next of kin with instructions on howto complain about defects. That’s absurd.” **—Richard Buetow, Motorola**

***Soft is hard*: We *did* discover bedrock. It came in the form of deep-seated respect for the work force; managers who were out of their offices and engaged where the work was done ("MBWA," or Managing By Wandering Around, as Hewlett-Packard called it); an abiding emphasis on trying it (whatever "it"!) rather than talking it to death and then accepting the failures that accompany "a bias for action" as we labeled this phenomenon; keeping constantly and intimately in touch with customers; and "managing" via a small set of inviolable core values. These "soft" ideas, largely AWOL on the American management scene circa 1980, were in fact the "hard" infrastructure of excellence.**

Paralleling our work, the quality "movement" took off, and enough "quality gurus" sprouted to fill a sizeable sports stadium. Without a shadow of doubt, the newfound emphasis on quality produced a raft of scintillating success stories—some of which produced extraordinary growth in profitability and market share. Yet a closer look reveals that for every quality program success there were scores of misfires—programs, often absorbing vast amounts of time and sums of money, that produced little or nothing in the way of better quality or improved financial results, and in some situations made a slumping organization even more sluggish.

Though it's foolhardy to make such an assertion, in my view there was a singular reason for the mixed bag of results; and it was predictable from our excellence research—too much reliance on the apparently "hard" procedures of, say, six-sigma programs and not enough attention to those underlying, apparently "soft" attributes such as the respect for and engagement of the workforce and a personal commitment to excellence.

To support my point, I'll offer up ten case studies (more accurately, snapshots) of quality programs, often in incredibly resistant environments, that did produce remarkable results. It turns out that they have two principal elements in common:

*** Passionate *local* leadership.**
*** A bedrock *corporate culture* that supports (or comes to support) an ethos of superior, quality work, courtesy of an engaged and respected and appreciated workforce—and, indeed, an unwavering moment-to-moment commitment to no less than excellence.**

(There is an eleventh case study, which focuses on failure—that is, the at least short-term demolition of a culture of quality that had previously consistently produced earth-shattering results.)

Herewith the cases:

Case #1/United States Air Force Tactical Air Command/GEN Bill Creech/"Drive bys"
Case #2/Milliken & Company/CEO Roger Milliken/the 45-minute grilling
Case #3/Johns Hopkins/Dr. Peter Pronovost/The roots of checklist power
Case #4/Commerce Bank/CEO Vernon Hill/The RED button commitment
Case #5/Veterans Administration/Abrogating the "culture of hiding"
Case #6/Mayo Clinic/Dr. William Mayo/ Teamwork makes me "100 times better"
Case #7/IBM/CEO Lou Gerstner flummoxed by ingrained beliefs
Case #8/Germany's Mittelstand/excellence-in-the-genes
Case #9/Department of Defense/DASD Bob Stone/tracking down the extant "Model Installation" superstars
Case #10/Matthew Kelly/Housekeepers' dreams
Case #11/Toyota/Growth or bust

Peters & Waterman 1977-present:

"Hard" is soft!
"Soft" is hard!

Source: ***In Search of Excellence: Lessons from America's Best-run Companies*****/October 1982 (NB: Research reported at forbes.com demonstrated that the companies in this book outperformed the stock market, 1982–2002, by a wide margin.)**

Case #1/United States Air Force Tactical Air Command

You've doubtless seen or heard of "flyovers"—the U.S. Air Force Thunderbirds or the Navy's Blue Angels honoring some significant event with their spectacular aerobatics. But how about the "Drive by"?

General Bill Creech was the 4-star general who commanded the USAF's Tactical Air Command. He was a nut about improving the quality of everything—and wildly successful at doing just that. (He increased battle-readiness dramatically—and in the process also saved a bushel of money.) Sure, there were new systems and procedures. But they were, in fact, the least of it. For example, Creech figured that the key to quality was not the already super-motivated high-visibility USAF pilots, but, rather, the supporting cast of thousands upon thousands who stood behind them such as the brilliantly trained mechanics and technicians and logisticians. Like most supporting casts, these folks were effectively invisible, defining "un-sung" in its literal meaning. Creech moved heaven and earth to change all that. Among other things, at TAC's Langley VA headquarters, he had regular "Drive bys." The mechanics and others would polish their gear and spit shine their shoes and vehicles and, with families and friends and the brass in attendance, hold a celebratory event in which the supporting staff and equipment would parade "full dress" around the base grounds. There were a hundred things like this, quintessential "soft stuff" that added up to a matchless, "all hands" enthusiasm for and commitment to quality work—with no less than staggering results. Moreover, Creech painstakingly developed a cadre of acolytes, generals who subsequently infused this ethos into other commands.

While the new systems that supported the quality program were imperative, it was the new "culture" of all-hands engagement, quality-or-bust as the only acceptable outcome, and General Creech's passionate, dogged personal engagement that made the difference.

(NB/Small world: Oddly enough, as I was writing this I ran into, on a hike in New Zealand, a retired USAF pilot. Unbidden, he got to talking about the F-16 rides he'd given to low-ranking airmen who'd performed their supporting work notably well. *"I really took those rides seriously, Tom, as seriously as a combat-training sortie,"* he said. *"We were really trying to honor the amazing work these guys were doing that kept us flying."* At the time of his comment, he had no idea that I'd ever heard of General Creech or, for that matter, TAC!)

(NB: In this paper, I chose to use interchangeably the likes of "Six-Sigma," TQM/"Total Quality Management," "Deming Principles," Crosby's "Do It Right the First Time," and General Creech's own "Six Pillars." As a result, many readers will doubtless scream bloody murder. But my point is simple: Coherent approaches *are* vitally important! But it really doesn't matter much which one, among the tested ones, you choose—as long as the culture is "right" and the passionate-determined leadership is in place.)

Case #2/Milliken & Company

I met Bill Creech and Roger Milliken at about the same time, in the mid-80s. Roger ran Milliken & Co., the textile giant performing brilliantly against all odds in an industry under crippling assault. In dedicating my 1987 book *Thriving on Chaos* to him, I labeled Milliken & Co.'s commitment to quality the best I'd ever seen. There was indeed a "quality guru" (Phil Crosby as I recall) and new systems had been installed, damn good ones. But make no mistake, the "culture of quality" and war on de-motivating bureaucratic roadblocks that Roger Milliken installed and oversaw with unrelenting (the word was invented to describe Roger) determination made all the difference.

Consider one small, but typical example. When, say, a plant manager from afar arrived at the airport nearest to corporate headquarters, he would invariably be met by "Mr. Milliken," as the boss was called by all except his brothers, and a 45-minute ride would ensue—just the two of them and the driver. The plant manager knew what was coming—a non-stop grilling by Mr. M. on one and only one topic, progress since the last grilling on the quality program and environment thereof. It was a good idea in terms of your future welfare to have something—*45 minutes of significant somethings!*—to say on the way to Spartanburg, SC.

And now consider one *big* example. Milliken was very formal ("Mr. M) and rank-conscious to a fault. Yet when Roger decided to create the role of company president, he passed over all the long-in-line and faithfully serving top candidates and selected Tom Malone for the highly visible new slot. Malone had run a small unit—but had become ardent cheerleader-in-chief for the most successful implementation of the quality strategy and ethos in the multi-billion-dollar company. The signal Tom's "deep dip" promotion sent? Very loud and very clear: Get aboard the quality culture train … or else.

Quality guru? Yes, Milliken had one. Supporting systems? Yes, good ones! But the defining difference was sustained and unwavering leadership from the top and the development of a quality culture in the face of the industry's abiding "culture," which was, in effect, exclusively focused on competing through cost cutting.

Case #3/Johns Hopkins

Patient safety is a hot topic, as it well should be—depending on how you add up the stats, American hospitals alone kill 100K to perhaps even 500K of us per year via largely unforced errors. Near the head of the parade of crusaders for change is Johns Hopkins' Dr. Peter Pronovost, appropriately called the father of the widely touted use of "checklists" in hospitals—and said by one high and mighty source to have saved more lives than any other doctor in America over the last decade! Used appropriately, and they very slowly but somewhat surely are coming to be, checklists *can* result in mind-boggling reductions in errors—e.g., 80% or 90% or even more in places of consequence.

The key phrase, however, is *"used appropriately."* In his book (with Eric Vohr) *Safe Patients, Smart Hospitals,* Dr. Pronovost takes us through the trials and enormous tribulations of "getting checklists right"—i.e., unleashing the full potential of this "obvious" and "simple" tool, initially at a renowned institution (Hopkins) where the traditional medical hierarchy was deeply entrenched. The key, as is invariably the case in such circumstances, was tackling and then, over time, dramatically altering "institutional culture." For one example among dozens, or hundreds, nurses must be permitted—*required!*—to immediately intervene with docs who skip a checklist step. Talk about 20-megaton "culture change" in an environment where all too many (alas, most) M.D.s treat the likes of nurses with blatant disrespect (alas, "blatant" is the appropriate adjective)!

Taking a somewhat closer look, we find that Peter Pronovost's work was to a large extent triggered by the unnecessary loss of a child, Josie King, at Johns Hopkins Hospital. (The event triggered many things at Hopkins as well as elsewhere and is chronicled in *Josie's Story: A Mother's Inspiring Crusade to Make Medical Care Safe*, by the deceased child's now-crusading mother, Sorrel King.) In his own book, Dr. Pronovost discusses Josie's care, or lack thereof, at a critical moment in the context of a wrongheaded "corporate culture":

"The nurses said they tried to voice their concerns up the chain of command—but no action was taken. The way communication was organized at Hopkins, as it is at most hospitals, did not make this easy. Nurses would have to talk to residents, who then passed the message on to chief residents or fellows, who would then talk to the attending surgeons. It is common for the opinion of lower levels of the hierarchy to be discounted and often ignored by

“When I was in medical school, I spent hundreds of hours looking into a microscope—a skill I never needed to know or ever use. Yet I didn’t have a single class that taught me communication or teamwork skills—something I need every day I walk into the hospital.” **—Dr. Peter Pronovost**

higher-ups. … If someone jumps rank or seeks approval from another surgeon outside of the chain or in any way circumvents this hierarchy, the penalty is often public humiliation and reprimand."

Wow—and, sadly, no surprise whatsoever.

Dr. Pronovost examined the roots of such death-dealing behavior, as reflected in his own training regimen, "When I was in medical school, I spent hundreds of hours looking into a microscope—a skill I never needed to know or ever use. Yet I didn't have a single class that taught me communication or teamwork skills—something I need every day I walk into the hospital." Indeed it is precisely the likes of a rare "culture of teamwork," or the characteristic absence thereof, that makes the apparently straightforward implementation of the "simple" checklist rise or fall—and accounts for the majority of those 100K+ unnecessary hospital deaths due to preventable errors.

The importance of the "system," that is, the checklist per se, is irrefutable! Usefulness of the checklist without culture change, however, was/is marginal or zero or even a step back. (That is, done wrong the checklist becomes another mandated bureaucratic annoyance—which may well worsen rather than improve the already lousy coordination among key actors such as doctors and nurses.)

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"The nurses said they tried to voice their concerns up the chain of command—but no action was taken. The way communication was organized at Hopkins, as it is at most hospitals, did not make this easy. Nurses would have to talk to residents, who then passed the message on to chief residents or fellows, who would then talk to the attending surgeons. It is common for the opinion of lower levels of the hierarchy to be discounted and often ignored by higher-ups. …

If someone jumps rank or seeks approval from another surgeon outside of the chain or in any way circumvents this hierarchy, the penalty is often public humiliation and reprimand."

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Case #4/Commerce Bank

Commerce Bank (now part of TD Bank) created a revolution of sorts in East Coast consumer banking by creating an atmosphere that welcomed customers at a time when most banks seemed to be going out of their way to alienate their retail clientele. In this "case-lette" I'll focus on one tiny part of one customer-friendly system. Founder Vernon Hill (with Bob Andelman), in *Fans! Not customers. How Commerce Bank Created a Super-growth Business in a No-growth Industry,* explains:

"Every computer at Commerce Bank has a special RED KEY on it that says, 'Found something stupid that we are doing that interferes with our ability to service the customer? Tell us about it, and if we agree, we will give you $50.'"

It's a "system," sure, but it's 95% a transparent "culture-enhancement device"—the focus is on attitude far more than process. That is, the message is, "For God's sake, we beg each and every one of you to please help improve the quality of the customer experience!"

Case #5/Veterans Administration

Surprising many, Veterans Administration hospitals again and again rank at the top of every list on patient safety/quality of care evaluations. One key reason is the success of the VA staff at developing an understanding of the nature and source of medical errors. That sounds obvious, but as things are, the health care system in general seems perversely designed to keep people (docs, etc.) from admitting and thence analyzing errors. The VA's Ken Kizer calls it a *"culture of cover-up that pervades healthcare."* It contrasts sharply with the airline industry. "When a plane crashes," says James Bagian, M.D. and former astronaut, now working with the VA, "they ask, 'What happened?' In medicine they ask: 'Whose fault was it?'" The latter, of course, is a perfect device for insuring silence.

The VA frontally attacked this pervasive and deadly "culture of cover-up"—and replaced it with a "culture" based on learning from errors. The new idea, as brilliantly reported in Phillip Longman's *Best Care Anywhere: Why VA Healthcare Is Better Than Yours*, was "looking for solutions, not seeking to fix blame on individuals except in the most egregious cases." The good (incredible!) news was that as the culture change around admitting errors/learning from errors was established, *and* as the process came to be seen as trustworthy, there was a resulting *thirty-fold increase* in the number of medical mistakes and adverse events that got reported to the "Patient Safety Event Registry." And the exponentially greater understanding of the source and nature of errors led in turn to procedural and cultural alterations that make the VA the shining example it has become.

Once more the story is indeed one of a spectacularly useful "system" … enabled, however, courtesy mind-boggling, "genetic"-level culture change which in turn was enabled by a grassroots-led, passionately pursued (for over a decade) revolution.

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Success Key #1: Directly confronting and excising the deeply entrenched *"culture of cover-up"* that pervades medical practice at all levels—and replacing it with a "culture of learning."

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Case #6/Mayo Clinic

Dr. Pronovost may not have had any team training, but there are a few examples of healthcare organizations that "got it right from the start." One of the two core values instilled by Dr. William Mayo (Mayo Clinic) in *1910* was, effectively, practicing team medicine. (Designing the practice around the patient, or "patient-centered care" as some call its rare manifestation today, was the other core value.)

The potency of Mayo's team-based culture? Consider this from Dr. Nina Schwenk, a Mayo newcomer: *"I am hundreds of times better here [than in my prior hospital assignment] because of the support system. It's like you are working in an organism; you are not a single cell when you are out there practicing."* (Yes, that's not a misprint: "hundreds of times better.") Such a culture lends itself to the safer and more effective practice of medicine, for which Mayo may have few if any worldwide peers.

Again: To be sure there are numerous formal systems at Mayo, but the healthful elixir that matters is a peerless culture of cooperation—that dates back to William Mayo's inspired leadership a century ago.

(NB: The Mayo examples come from Leonard Berry and Kent Seltman's superb *Management Lessons from Mayo Clinic.* In fact, I cannot resist one more jaw-dropping "cultural" commentary from Berry and Seltman. It typically boggles the mind of healthcare professionals in my seminars, who are used to the strict separation of disciplines and hierarchies of authority and power in their own institutions. To wit: *"A Mayo surgeon recalled an incident that occurred shortly after he had joined the Mayo surgical staff. He was seeing patients in the Clinic one afternoon when he received a call from one of the most experienced and renowned surgeons on the Mayo Clinic staff. The senior surgeon stated over the phone that he was in the operating room performing a complex procedure. He explained the findings and asked his junior colleague whether or not what he, the senior was planning seemed appropriate. The junior surgeon was dumbfounded that he would receive a call like this. Nonetheless, a few minutes of discussion ensued, a decision was made, and the senior surgeon proceeded with the operation. … A major consequence was that the junior surgeon learned the importance of inter-operative consultation for the patient's benefit even among surgeons with many years of surgical experience."* Berry and Seltman also report, another jaw-dropper, that a senior Mayo oversight team more or less routinely disciplines, or even releases, doctors, regardless of technical reputation, who repeatedly fail to practice team medicine.)

(NB: And one more, per my lights, blockbuster: The authors report that in the course of a typical Mayo hiring interview, the candidate is asked to describe a successful project she or he led. The interviewers make careful note of the frequency with which the candidate uses "We" rather than "I" to describe her or his team's activities!)

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I am …hundreds of times … better here [than in my prior hospital assignment] because of the support system. It's like you are working in an organism; you are not a single cell when you are out there practicing." **—Dr. Nina Schwenk, Mayo Clinic**

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Case #7/IBM

I first met Lou Gerstner when I was at McKinsey & Co. in the late '70s. The phrase "tough as nails" was invented for the likes of Lou. Only GE's Jack Welch, among CEOs I've met, including generals who ran their nation's armed forces, is in the same league. Gerstner was also the quintessential McKinsey proponent of "Gimme the facts, period." He was, in short, an analyst's analyst—and a superb one at that. My work on organization effectiveness was in its infancy, and though mandated by the Firm's managing director (de facto CEO), Gerstner thought it was, well, crap. Too "soft" by an order of magnitude!

Time passed, I co-wrote a book about excellence with Bob Waterman (our motto, recall, was "Hard is soft. Soft is hard."), and Gerstner after a couple of very successful stops-at-the-top, such as American Express, was called in as CEO to save (or dismantle) a staggering IBM. His success was mindboggling, and like so many CEOs in those days, he wrote about it after the fact; i.e., *Who Says Elephants Can't Dance*. No surprise, I was completely taken by a paragraph that appeared in the introduction:

"If I could have chosen not to tackle the IBM culture head-on, I probably wouldn't have. My bias coming in was toward strategy, analysis and measurement. In comparison, changing the attitude and behaviors of hundreds of thousands of people is very, very hard. [Yet] I came to see in my time at IBM that culture isn't just one aspect of the game—it is the game."

Gerstner extolling the utter inescapable necessity of whole sale culture change? You could indeed have knocked me over with the proverbial feather! Though not directly on the topic of quality, this is in many ways the crowning example in this brief set. Did Gerstner forget about the analytics during his decade-long sojourn at IBM? You gotta be kidding! His love affair with the "hard facts" was never far from the surface. And yet, he faced the hardest of all facts, namely that "soft" really is "hard." That without tackling the bedrock (hard, eh?) culture issues, a dramatic shift in corporate performance, even survival, was not possible. Lou also came to appreciate that to make such a change he absolutely needed voluntary buy in, not merely a mandate from the top, "In the end," he said in his book, "management doesn't change culture. Management invites the workforce itself to change the culture."

Lou Gerstner?

"Invite"?

"Yet I came to see in my time at IBM that culture isn't just one aspect of the game—it <u>IS</u> the game." **—Lou Gerstner**

Case #8/Germany's Mighty "Mittelstand"

Germany's extraordinary economic performance, particularly as high-end manufactured products exporter, is not by and large built on the backs of a few giant institutions such as Siemens or Daimler Benz. Instead the acknowledged bedrock is a stellar set of middle-sized firms—the so-called *Mittelstand*. I studied them closely and even did a PBS television special featuring several Mittelstand firms—it was more or less their first American "public" exposure.

The world of "management thinking," at the time of my Mittelstand research, in about 1990, was as always awash in buzzphrases—none more commonplace than "empowerment." Yet as I toured these wildly successful German firms, the spear-carriers for the nation's export excellence, I never once heard "empowerment" (in English or its German equivalent) or "continuous improvement" or their ilk. *Never = Never*. Over time I came to appreciate what I think is the key success factor—and my work over the last 20 years has reinforced that notion. In a word (or words) … *respect/mutual appreciation*. Superior quality is more or less instinctive in German enterprise; and beneath that "instinctive," it is a byproduct to a significant degree of the ubiquity of the apprenticeship education and development process. *That process provides a common background and cultural appreciation of superior workmanship among junior and senior workers and their junior and senior bosses—all the way to the CEO.* I observed any number of un-staged exchanges between the CEO-owner (boss of a billion dollar firm) and a 19-year-old line employee that could only be labeled as conversations among colleagues. (Most of us, to put it mildly, think of Germans as rigid and hierarchical—I was taken aback, I'll be the first to admit.) That is, there is widespread respect for and appreciation of craftsmanship and quality work and the initiative required to make it all work—and hence no need for the big boss to call in pricey HR consultants and launch an "empowerment initiative." Could it be so simple? Of course not! On the other hand, the commonality of my experience throughout visits to a half-dozen companies, ranging from toymakers (Playmobil) to machine-tool manufacturers (Trumpf), I believe strongly supports the argument presented here.

I am hardly saying that systems and measures are not a big part of life in a Mittelstand firm. I am suggesting that they play a supporting role to an incredibly powerful and remarkably widespread national culture of quality work and

self-managed *employee on-the-job performance, commitment, accountability, and growth. "Empowerment" consultants need not apply. (I'd also add that virtually all the workforce is unionized—a stereotypical image of union workers focused on "gettin' the day behind them" is distinctly the wrong image.)*

Case #9/Department of Defense Model Installations

Bob Stone was the director of Vice President Al Gore's mostly invisible and surprisingly effective "re-inventing government" program. His approach at the White House was developed a decade before. When I first met Bob, he was Deputy Assistant Secretary of Defense for Installations, in effect responsible for the status and development of all of our military facilities. He re-defined his DOD task as a headlong effort to achieve nothing short of global excellence. His approach fascinated me—he turned his back on "programs" and "systems," though he is as much a conservative "systems guy" as anyone I've met. In short, he knew from long and frustrating experience that "clever" new systems and programs launched with promises of "transformation" were invariably dead ends in government—that is, their main "products" were increased bureaucracy and constant gaming.

Stone's extraordinarily effective approach was built around a set of what he labeled "Model Installations." Given the size of the defense facilities establishment, he figured that there were mavericks out there already doing it right, in fact very right, despite a gazillion bureaucratic impediments; hence, rather than have "brilliant" staff analysts invent "improvement programs," he cited and publicly honored some small number of stalwart bases as "Model Installations." He "invited" (shades of Gerstner at IBM) others to learn from the stars' approaches—which had invariably produced results that put their peers to shame. Stone succinctly captured the notion this way: "Some people look for things that went wrong and try to fix them. I look for things that went right, and try to build off them." And build off them he did!

(Along the way, Stone *did* attend to the systems per se—and took gargantuan steps to de-bureaucratize them. For example, the principal DOD facilities management guidance document was reduced from 450 pages to eight pages! Stone told me he had wanted to produce the 8-page version in a pocket-size format—however higher-level DOD guidance, beyond his remit, would not permit official documents being printed and distributed in such a revolutionary format. Ah …)

“Some people look for things that went wrong and try to fix them. I look for things that went right, and try to build off them.” **—Bob Stone**

Once more, I'm not, to put it mildly, describing an environment short on systems and procedures and measures—but I am describing a context in which local leadership (the model-installation commanders) and a carefully nurtured culture of mutual respect and appreciation of excellence are the dominant drivers of success.

Case #10/Housekeepers' Dreams

The single staff person who has the most face-to-face interaction with the hotel guest is the housekeeper you cross paths with in the corridor and who is responsible for "the little things" in your room that are not in the least bit "little." We guests all know intellectually we're sleeping in a room where a thousand others have slept or expressed unattractive habits, but we don't want to be reminded by the work of a sloppy housekeeper. All that said, the housekeeper is typically the most lightly regarded member of staff—hence, among other things, high turnover and anything but a commitment to service and guest experience excellence. Maybe it's the residual engineer/MBA in me, but I shy away from books with titles like *The Dream Manager*. But killing idle time in an airport will cause all sorts of odd behavior. Which is to say I aimlessly picked up Matthew Kelly's *The Dream Manager* in the Atlanta airport—and was instantly hooked. Though written in parable form (I have trouble with that, too), it is the story of a real and outstanding (growth, profits, customer loyalty) cleaning services company—that is, a collection of thousands of de facto housekeepers! (The company chose to remain anonymous—imagining it would be seen by employees as exploitative; I was later thrilled to meet the CEO of the very real firm.)

Kelly, or, rather, the company's leaders, made an obvious assertion (after the fact—I admit to being bowled over by the obvious time and again) that everyone—yes, including housekeepers!—has dreams. That housekeeper from God knows where is likely a single mom with two kids and three jobs who imagines another more satisfying life if only, say, she could get a community college certificate in business administration or hospitality. Though the CC certificate will not directly make her a better cleaner, it will make her a more fulfilled person—which will indeed doubtless make her a better housekeeper. (It does indeed work!) Given all this, then, the manager's first job becomes explicitly helping front-line folks achieve their dreams—hence, a "dream manager."

Kelly brilliantly describes the guiding corporate philosophy:

"An organization can only become the-best-version-of-itself to the extent that the people who drive that organization are striving to become better-versions-of-themselves. The question, then, is: What is an employee's purpose? Most would say, 'to help the company achieve its purpose'—but they would be wrong. That is certainly part of the employee's role, but an employee's primary purpose is to become the-best-version-of-himself or -herself. … When a company forgets that it exists to serve customers, it quickly goes out of business. Our employees are our first customers, and our most important customers."

Perhaps you'd say, as I did at first (yes, even me, Mr. "Soft is hard"), that "dream manager" is a bit over the top. Yet it works—and has produced bottom line excellence and service excellence for years. And once more, as I talked with Kelly and then the company founder, I discovered that, of course, there are procedure manuals and time-tested systems—damn good ones, in fact. But it's not those manuals that have produced the exceptional results—it's a clutch of "mere" housekeepers pursuing their dreams and becoming more effective and fulfilled human beings.

"We all have dreams." **—Matthew Kelly**

"We are ladies and gentlemen serving ladies and gentlemen."

—from the Ritz-Carlton Credo

NB: The Ritz-Carlton hotels, under the inspired leadership of Horst Schulze, set a standard for hotel service quality. The organization's "credo": *"We are ladies and gentlemen serving ladies and gentlemen."* Sound mundane? Well, it's not. Perhaps the large majority of the front-line staff who almost singlehandedly shape the customer experience—housekeepers redux—have been treated like anything but "ladies and gentlemen." A single word ("lady" or "gentleman") does not excellence make—but it sure as hell helps! As to the idea (I'd say *profound* idea) of employees as "customers," the remarkable Herb Kelleher, Southwest Airlines founder and longtime CEO, always insisted that there was a single primary underpinning for his company's excellence in a brutally competitive environment: *"You have to treat your employees like customers."* Related favorites of mine: From health and beauty-salon chain founder John DiJulius: *"When I hire someone, that's when I go to work for them."* And Arie Weinsweig, founder of the world renowned food emporium Zingerman's: *"If you want staff to give great service, give great service to staff."* (NB: At the Ritz-Carlton, those housekeepers are permitted to spend $1,000+ to fix a guest problem—without the approval of "management." A lot of middle-managers are not allowed that much leeway!)

Case #11/Toyota

Toyota's systems have long been the envy of the world—ensuring quality matched by none. Or so was the case for several decades. In the last few years, alas, Toyota has become a poster child for quality problems, some of which are purported to have resulted in fatalities. While it's admittedly absurd to pin a problem of this magnitude on a single variable, it seems almost certainly to be more or less the case in this instance.

Closing in on a then-stumbling GM, Toyota pulled out all the stops in a rush to become the world's largest car company in terms of sales. While the objective was achieved, it seems to have come at the expense of a proud culture of quality and excellence, which was effectively replaced by a culture more along the lines of "growth-at-all-costs."

As a result of the ensuing quality missteps, which clearly dented customers' faith in the product, top leadership was revamped, apologies were made by the Toyoda family, and new family leadership was installed at the top—the results, happily, are promising.

When we speak of Japan's enterprise success, particularly in the quality and continuous improvement arena, we talk often of systems—"CI"/continuous improvement or "lean production" or the "Deming Principles." Dr. Deming's approach did work miracles in Japan, but the lessons extracted therefrom were misleading. Deming may have had a scheme, but it was based almost entirely on an enabling "corporate culture" of employee commitment to quality; moreover, in Japan, the existing national culture and approach to work were tailor-made for implementing Deming's prescriptions. Of course, as suggested in this brief example from Toyota, even the most effective of corporate cultures can be torpedoed, at least in the short term.

The most effective cultures imaginable—e.g., Toyota's—can slip, slip badly, and slip astonishingly quickly. Sustaining a culture of quality and excellence is a daily affair. And a conscious daily affair! Leaders at all levels must explicitly assess their daily performance to gauge the degree to which they have stayed true (or not) to the cultural imperatives of an organization devoted to matchless quality and an invariant standard of excellence.

Systems Have Their Place: SECOND Place

These eleven case studies capture the lion's share of the organizational universe. E.g.: the public as well as the private sector. Our fastest growing "industry," healthcare, as well as the poster child for embattled industries, textiles. Non-USA entities—Toyota and the German Mittelstand—as well as American institutions. The life of USAF pilots—and the life of hotel housekeepers. The stories are, obviously, intentionally repetitive. They effectively make the same point again and again: Systems and procedures are necessary but nowhere nearly sufficient. In fact, in the absence of fired up local leadership and a supportive organizational culture that starts with respect for the contribution of every employee, elaborate systems can readily become additional bureaucratic drag.

To an extent, this discussion is pessimistic. There are no miracle cures. There are no clever systems that will in and of themselves carry the day. If you don't have an effective culture taking the lead, you are pretty much doomed to marginal improvement, or, God help you, steps back by merely installing a system, no matter how ingenious or how highly touted it may be.

In the end: Hard is soft. Soft is hard. The traditionally viewed "soft" variables such as "institutional culture" and "inspired leadership" are the principal keys to success—or failure.

Closing notes:

(1) While I have consistently indicated to the contrary, one might assume that I am giving systems short shrift. To be sure, I am emphasizing the incompleteness—and often problematic nature—of a strategy that envisions superior systems as a be-all and end-all. But, trained as I am, first and foremost, as an engineer, I am hardly indisposed to superior systems—organizations do indeed have to be organized, and systems are the scaffolding for effectively organized affairs. In fact, an approach to doing business that brushed off systems and effectively stopped with a culture that was, say, highly supportive of staff would also by and large be dysfunctional. In short, one needs both superb systems *and* a culture that unmistakably "puts people first" in pursuit of quality and overall excellence. The purpose of and impetus for this paper is, then, primarily to act as a corrective to the traditional approach that, so often, emphasizes systems and de-emphasizes—or ignores!—the sort of organizational cultures described briefly in the cases above.

(2) A related point, a source of continued irritation to me: I am *not* talking about "balance"—a word I dislike! That is, the cases above do not "balance" culture and systems—they are, de facto, cases of, if you will, "double excellence." The systems at, say, TAC are superb—*and* the TAC culture instilled by General Creech is appropriate to maximizing the value of those systems and, hence, producing overall excellence and superior results.

Culture first, systems imperative-but-second … for sustaining excellence in quality and productivity and performance excellence.

You've gotta do <u>both</u> with panache !