

Tom Peters/19 February 2016

## **Best Quotes/“THE WORKS”/1966-2016**

### **Contents/“The Works”/1966-2016/EXCELLENCE!**

- Chapter **ONE**: Execution/The “All-Important Last 95%”
- Chapter **TWO**: EXCELLENCE (Or Why Bother at All?)
- Chapter **THREE**: The “Strategy First” Myth (And Six Other Foundation Myths)
- Chapter **FOUR**: (REALLY) First Things Before First Things
- Chapter **FIVE**: 34 BFOs/Blinding Flashes of the Obvious
- Chapter **SIX**: Putting People (REALLY!) First
- Chapter **SEVEN**: Tech Tsunami/Software Is Eating the World++
- Chapter **EIGHT**: People First/A Moral Imperative Circa 2016
- Chapter **NINE**: Giants Stink/Age of SMEs/Be The Best,  
It’s the Only Market That’s Not Crowded
- Chapter **TEN**: Innovate Or Die/W.T.T.M.S.W./  
Whoever Tries The Most Stuff Wins++
- Chapter **ELEVEN**: Nine Value-added Strategies
- Chapter **TWELVE**: Value Added/1ST Among Equals/DESIGN MINDEDNESS
- Chapter **THIRTEEN**: The “PSF”/Professional Service Firm “Model”  
as Exemplar/“Cure All”
- Chapter **FOURTEEN**: You/Me/The “Age of ‘BRAND YOU’/‘Me Inc.’”
- Chapter **FIFTEEN**: Women Are Market #1 For Everything/  
Women Are the Most Effective Leaders
- Chapter **SIXTEEN**: Leadership/46 Scattershot Tactics
- Chapter **SEVENTEEN**: Avoid Moderation!/Pursue  
“Insanely Great”/Just Say “NO!” to Normal
- Appendix: Library of Best Quotes

“The Works is ...THE WORKS. It covers 50 years, 1966-2016, from my first “management” job in the U.S. Navy in Vietnam in 1966 to 2016. It is in some sense “everything I’ve learned.” The format is an 18-chapter, 4K slide PowerPoint presentation with 50K++ words of annotation/text. You will find it at **excellencenow.com**. The last section of this PP/book is a collection of my “best quotes,” about 200 of ‘em. You’ll find them here—mostly organized by chapter.

Off we go ...

## THE BEST OF THE BEST OF THE BEST

The book/THE WORKS begins with “Epigraphs”—they are in effect the best of the best of the best.

Herewith ...

*“Business has to give people enriching, rewarding lives ... or it's simply not worth doing.”* —Richard Branson

*“Your customers will never be any happier than your employees.”* —John DiJulius

*“We have a strategic plan. It's called ‘doing things.’ ”*  
—Herb Kelleher

*“You miss 100% of the shots you never take.”* —Wayne Gretzky

*“Ready. Fire. Aim.”* —H. Ross Perot

*“Execution is strategy.”* —Fred Malek

*“Amateurs talk about strategy. Professionals talk about logistics.”* —General Omar Bradley

*“Avoid moderation.”* —Kevin Roberts

*“I'm not comfortable unless I'm uncomfortable.”* —Jay Chiat

*“It takes 20 years to build a reputation and five minutes to ruin it.”* —John DiJulius on social media

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

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

*“This will be the women's century.”* —Dilma Rouseff

*“Be the best. It's the only market that's not crowded.”*  
—George Whalin

## Chapter ONE: Execution/The “All-Important Last 95%”

*“Execution IS strategy.”* —Fred Malek

*“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

*“Amateurs talk about strategy. Professionals talk about logistics.”* —General Omar Bradley, commander of American troops/D-Day

*“Execution is the job of the business leader.”* —Larry Bossidy & Ram Charan, *Execution: The Discipline of Getting Things Done*

*“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 & Ram Charan, *Execution: The Discipline of Getting Things Done*

*“The head of one of the large management consulting firms asks [members of a client organization], ‘And what do you do that justifies your being on the payroll?’ The great majority answer, ‘I run the accounting department,’ or ‘I am in charge of the sales force’ ... Only a few say, ‘It’s my job to give our managers the information they need to make the right decisions,’ or ‘I am responsible for finding out what products the customer will want tomorrow.’ The man who focuses on efforts and stresses his downward authority is a subordinate no matter how exalted his rank or title. But the man who focuses on contributions and who takes responsibility for results, no matter how junior, is in the most literal sense of the phrase, ‘top management.’ He holds himself responsible for the performance of the whole.”* —Peter Drucker

## Chapter TWO: EXCELLENCE (Or Why Bother at All?)

“Management” as conventionally perceived is a dreary/ misleading/constrained word. E.g., mgt/standard usage = Shouting orders in the slave galley. Consider, please, a more encompassing/more accurate definition: *“Management’ is the arrangement and animation of human affairs in pursuit of desired outcomes.”*

Management is *not* about Theory X vs. Theory Y/“top down” vs. “bottom up.” Management *is* about the essence of human behavior (Drucker called it a “liberal art”), how we fundamentally arrange our collective efforts in order to survive, adapt—and, one hopes, thrive. (E.g., U.S. Constitution = Hall of Fame *management* document.)

In *Good Business*, Mihaly Csikszentmihalyi (the *FLOW* guru ) argues persuasively that business has become the center of society. As such, an obligation to community is front & center. Business as societal bedrock, per Csikszentmihalyi, has the **“RESPONSIBILITY TO INCREASE THE SUM OF HUMAN WELL-BEING.”** Business is NOT “part of the community.” In terms of how adults collectively spend their waking hours: Business IS the community. And should act accordingly. 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?) growth and profitability.

“It may sound radical, unconventional, and bordering on being a crazy business idea. *However—as ridiculous as it sounds—joy is the core belief of our workplace.* Joy is the reason my company, Menlo Innovations, a customer software design and development firm in Ann Arbor, exists. It defines what we do and how we do it. It is the single shared belief of our entire team.” — Richard Sheridan, *Joy, Inc.: How We Built a Workplace People Love*

ORGANIZATIONS EXIST TO SERVE. PERIOD.  
LEADERS LIVE TO SERVE. PERIOD.

*In Search of Excellence* “twitter-ized”/ <140 Characters: *Cherish your people, cuddle your customers, wander around, “try it” beats “talk about it,” pursue Excellence, tell the truth.* (127/Q.E.D.)

EXCELLENCE is not a “long-term” “aspiration.”  
EXCELLENCE *is* the ultimate short-term strategy.  
EXCELLENCE *is* ... THE  
NEXT 5 MINUTES.\* (\*Or NOT.)

**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.**

**Michael Raynor and Mumtaz Ahmed: *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.”)**

**Jeff Colvin, *Fortune*: “The Economy Is Scary ... But Smart Companies Can Dominate”:**

**They manage for value—not for EPS.**  
**They get radically customer-centric.**  
**THEY KEEP DEVELOPING HUMAN CAPITAL.**

## Chapter THREE: The “Strategy First” Myth (And Six Other Foundation Myths)

### Seven Sustaining—and Very Dangerous—Myths

1. Get the strategy right, and the rest is details.
2. Star CEOs drive big enterprise performance differences
3. CEOs *must* maximize shareholder value
4. Stars are stars and maintain their stellar performance in new settings
5. STEM! STEM! STEM!
6. It’s 2016, dude: hustle beats patience
7. Noisy times call for noisy people

*“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.” —Lou Gerstner, *Who Says Elephants Can’t Dance**

*“Culture eats strategy for breakfast.” —Ed Schein/1986*

### High-Impact CEOs?????

“Michael Dorff, author of *Indispensable and Other Myths*, told me that with large, established companies, *‘It’s hard to show that picking one qualified CEO over another has a major impact on performance.’* Indeed, a major study by the economists Xavier Gabaix and Augustin Landier, who happen to believe that current compensation levels are economically efficient, found that if the company with the 250th most talented CEO [by economic measures] suddenly managed to hire the most talented CEO, its value would increase by a mere 0.016%.”—James Surowiecki, “Why CEO Pay Reform Failed,” *The New Yorker*

“The belief that CEOs are the most important cause of corporate performance is deep and widespread but largely lacks empirical support. Even fervent advocates of CEO power have calculated the CEO’s impact as small and easily swamped by environmental and company-specific variables. ... THE REALITY IS THAT

**FOR THE VAST MAJORITY OF COMPANIES, ONE COMPETENT CEO IS VERY MUCH LIKE ANOTHER.** ... The causation myth's durability is also due to our tendency to credit the leader for a group's success or failure. Any number of studies have demonstrated that subjects wrongly assign responsibility to a group's leader even when the true cause was truly something else." —Michael Dorff, *Indispensable and Other Myths*

**"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, professor of corporate and business law, Cornell Law school, in *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 constituencies are your employees, your customers and your products."*** —Jack Welch, *FT*, 0313.09, p. 1

**Forbes/Cover/17 August 2015: THE NEW GOLDEN TICKET: YOU DON'T HAVE TO CODE TO GET RICH. HOW LIBERAL ARTS GRADS ARE CONQUERING SILICON VALLEY**

Headlines:

**"Revenge of the Philosophy Majors: In Silicon Valley brilliant coding and engineering is a given. The real value added, increasingly, comes from the people who can sell and humanize. Which is why tech startups suddenly crave liberal arts majors."**

**"The job of a software engineer is getting more automated. What's far more labor intensive is the job of figuring out what technology users want."**

Response to question on his (Peter Drucker's) "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."*** (0118.99)

**Wait! Quiet!**

***“The central element of good decision-making is a person’s ability to manage delay.” —Frank Partnoy, Wait: The Art and Science of Delay***

***“Thinking about the role of delay is a profound and fundamental part of being human. ... The amount of time we take to reflect on decisions will define who we are. Is our mission simply to be another animal, or are we here for something more?” —Frank Partnoy, Wait: The Art and Science of Delay***

***Life might be a race against time, but is enriched when we rise above our instincts and stop the clock to process and understand what we are doing and why.” —Frank Partnoy, Wait: The Art and Science of Delay***

***“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  $E = mc^2$  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*****

***“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***



## Chapter **FOUR**: (REALLY) First Things Before First Things

### 1B1: (REALLY) First Things Before First Things

- 1. *1st line supervisors* are Key #1 to organizational effectiveness—and we invariably (waaaay) underplay their collective importance.**
- 2. *XFX/Cross-Functional EXCELLENCE*. Lack of “XFX” is the principle element in the delay of everything—and the answer is not primarily sexy software systems.**
- 3. *LISTENING*. You might go so far as to say “Listening IS Strategy.” I’d go that far! And turning everyone into a “listening professional” is not a stretch of the imagination.**
- 4. *Meetings*, like it or not, are “what we do”—so make them Paragons Of EXCELLENCE, rather than considering them a “necessary nuisance.”**

- 1. *1st line supervisors* are Key #1 to organizational effectiveness—and we invariably (waaaay) underplay their collective importance.**

If the regimental commander lost most of his 2nd lieutenants and 1st lieutenants and captains and majors, it would be a tragedy. *If he lost his sergeants it would be a catastrophe.* The Army and the Navy are fully aware that success on the battlefield is dependent to an extraordinary degree on its Sergeants and Chief Petty Officers. Does industry have the same awareness?

*“In great armies, the job of generals is to back up their sergeants.”*  
—COL Tom Wilhelm, *The Atlantic*

Employee retention & satisfaction: *“Overwhelmingly based on the first-line manager!”*—Marcus Buckingham & Curt Coffman, *First, Break All the Rules: What the World’s Greatest Managers Do Differently*

*“People leave managers, not companies.”* —Dave Wheeler

Capital Asset!

\*Selecting and training and mentoring one's pool of front-line managers can be a "Core Competence" of surpassing strategic importance.

\*Put under a microscope every element of the cradle-to-grave process of building the capability of our full cadre of front-line managers.

Suggested addition to your Statement of Core Values: *"We are obsessed with developing a cadre of 1st 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.'"*

**2. XFX/Cross-Functional EXCELLENCE.** Poor "XFX" is the principle element in the delay of everything—and the answer is not primarily sexy software systems.

The Strategic Importance of XFX (Cross-functional eXcellence): *I believe that in most any organization of, say, more than a dozen people, the #1 issue is "cross-functional communication-integration." It is both "Problem #1" and "Opportunity #1." From intelligence pattern recognition to day-to-day execution to innovation, our INTERNAL barriers—not our competitors' cleverness—are the principal impediment to effectiveness. I suspect we mostly agree with that. But is it—AND IT RARELY IS—literally seen as "SO1"—Strategic Opportunity #1?*

*And if it is such a great opportunity, where does one start?*

*Simple: NEVER WASTE A LUNCH!*

**L = XFFRA1: Lunch = Cross-Functional Friction Reduction**

**Agent #1** (% XF lunches/Measure! Monthly! Part of evaluation!) ("Lunch"???)  
Yes! Great systems software abets cross-functional co-ordination. But Cross-Functional EXCELLENCE is primarily a "people/relationship thing"—"Lunch" is part of a set of what I call "Cross-Functional Social Accelerators.")

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

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

—General D.D. Eisenhower, *Armchair General*\* (\*"Perhaps his 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.")

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

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

$S = f(SD>SU)$

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

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

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

$S = f(\#XFL/m)$

Number of lunches with colleagues in other functions per month

$S = f(\#FF)$

Number of friends in the finance organization

Suggested addition to your statement of Core Values: ***“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.”***

***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.**

**MEASUREABLE.**

**OBSESSION.**

**3. LISTENING.** You might go so far as to say “Listening IS Strategy.” I’d go that far! And turning everyone into a “listening professional” is not a stretch of the imagination.

*“It is the privilege of wisdom to listen.” —Oliver Wendell Holmes*

*“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**

“The doctor interrupts the patient presenting her/his symptoms after ...  
18 SECONDS. \* (\*Source: Jerome Groopman, *How Doctors Think*)  
And you???????

(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*.\* (\*Though women are *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 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*

8 of 10 sales presentations fail/50% failed sales presentations ... talking "at" before listening! —Susan Scott, *Fierce Conversations*

**Suggested 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.”**

**“I always write ‘LISTEN’ on the back of my hand before a meeting.”** —Tweet posted @tom\_peters

**“Never miss a good chance to shut up.”**—Will Rogers

**“My education in leadership began in Washington as 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 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*

**4. Meetings, like it or not, are “what we do”—so make them Paragons Of EXCELLENCE, rather than considering them a “necessary nuisance.”**

**Complain all you want, but meetings are what you (boss/leader) do!**

***Meetings = #1 leadership opportunity***

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

*Meeting = THEATER*

Prepare for a meeting/every meeting as if your professional life and legacy depended on it. *It does.*

## Chapter FIVE: 34 BFOs/Blinding Flashes of the Obvious

*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 in 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.*

**The 34 BFOs: This Is the (OBVIOUS) Stuff I Care About. This Is the (OBVIOUS) Stuff, the Absence of Which Sends Me Into a ... BLIND RAGE:**

**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.**

**BFO 2: ENABLING “ALL HANDS” GROWTH IS LEADER DUTY #1.**

**BFO 3: Training = Investment #1.**

**BFO 4: OUT-READ ’EM. AGE 17. AGE 77.**

**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 FIRST-LINE BOSS. 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.**

**BFO 8: “Fail faster. Succeed sooner.” “FAIL. FORWARD. FAST.” “Fail. Fail again. Fail better.” “REWARD excellent failures. PUNISH mediocre successes.”**

**BFO 9: Enabling change: It’s ALL ALL ALL about recruiting and nurturing ...  
ALLIES.**

**BFO 10: The Gospel of “SMALL WINS.” (ALLIES + MORE ALLIES + SMALL WINS + MOMENTUM = UNSTOPPABLE.)**

**BFO 11 Cross-functional SNAFUs are the #1 problem for most orgs.. 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.

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.”)

BFO 14: We Are What We Eat = WE ARE/BECOME WHO WE HANG OUT WITH.

EVERY “hang out decision” is a ... STRATEGIC/INNOVATION DECISION.

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

BFO 16: LBT/TGR MULTIPLIER POWER. Ceaselessly seek the LBTs/Little BIG Things. TGRs/THINGS GONE RIGHT.

BFO 17: WOMEN BUY EVERYTHING. WOMEN ARE THE MOST EFFECTIVE LEADERS. WOMEN ARE THE MOST SUCCESSFUL INVESTORS.

BFO 18: KEEP ADDING VALUE. UPS: From delivering Parcels to managing Logistics Systems/United Problem solvers. (“Transactional customer SATISFACTION” to “Systemic customer SOLUTIONS.”)

BFO 19: Forget B-I-G. “MITTELSTAND” companies—MIDSIZE SUPERSTAR NICHE/ MICRO-NICHE DOMINATORS. “BE THE BEST. IT’S THE ONLY MARKET THAT’S NOT CROWDED.”

BFO 20: The problem is RARELY the problem. The lackluster RESPONSE to the problem is invariably the real problem. Winning hand: LIGHTNING-FAST RESPONSE OVERKILL.

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

BFO 22: The two most powerful words in the English language are? No contest: “THANK YOU.”

BFO 23: Have you done your MBWA/ Managing By Wandering Around ... TODAY?

BFO 24: Your CALENDAR knows your TRUE priorities. Do YOU? You ... ARE ... your calendar. Your calendar ... NEVER LIES.

BFO 25: ASSET #1 = INDIVIDUAL AND COLLECTIVE EXCELLENCE AT ... L-I-S-T-E-N-I-N-G.

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.*”) Master of appreciation/acknowledgement.

BFO 27: Aim to make EVERY internal and external experience WOW!

BFO 28: EVERY DAY PROVIDES A DOZEN (LITERALLY) LEADERSHIP OPPORTUNITIES FOR EVERY ONE OF US.

BFO 29: Circa 2016+: 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? My answer CONVERT EVERY “DEPARTMENT”/ “UNIT” [and

yourself] INTO A FULL-FLEDGED ... “PSF”/PROFESSIONAL SERVICE FIRM ... WHOLLY DEDICATED TO EXCELLENCE & WOW & ADDING SKYSCRAPING VALUE TO OUR CUSTOMERS’ [usually internal customers] ACTIVITIES.

BFO 31: CIVILITY WORKS. CIVILITY PAYS. E.g.: K = R = P.

Kindness = Repeat business = Profit.

BFO 32: Most of us/most organizations discount ... INTROVERTS. THAT IS A ... FIRST-ORDER STRATEGIC BLUNDER

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

“EXECUTION IS STRATEGY.”

BFO 34: The Works SERVICE-ENGAGEMENT-GROWTH-EXCELLENCE-WOW

## Chapter SIX: Putting People (REALLY!) First

**Brand = Talent.**

**“PEOPLE BEFORE STRATEGY”** —Lead article, *Harvard Business Review*. July-August 2015, by Ram Charan, Dominic Barton (MD, McKinsey), and Dennis Carey

**“*Business has to give people enriching, rewarding lives ... or it's simply not worth doing.*”** —Richard Branson (In an earlier/2012 version of “The Works” this slide earned pride-of-place, #1 of 4,096.)

**“*You have to treat your employees like customers.*”**  
—Herb Kelleher, Southwest Airlines, upon being asked his “secret to success”

**“*If you want staff to give great service, give great service to staff.*”** —Ari Weinzweig, Zingerman’s, in Bo Burlingham’s *Small Giants: Companies That Choose to Be Great Instead of Big*

**“*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*”



*“What employees experience, Customers will. The best marketing is happy, engaged employees. Your customers will never be any happier than your employees.”* —John DiJulius, *The Customer Service Revolution: Overthrow Conventional Business, Inspire Employees, and Change the World*

*“I start with the premise that the function of leadership is to produce more leaders, not more followers.”* —Ralph Nader

*“The ultimate filter we use [in the hiring process] is that we only hire nice people. ... When we finish assessing skills, we do something called ‘running the gauntlet.’ We have them interact with 15 or 20 people, and everyone of them have what I call a ‘blackball vote,’ which means they can say if we should not hire that person. I believe in culture so strongly and that one bad apple can spoil the bunch. There are enough really talented people out there who are nice, you don’t really need to put up with people who act like jerks.”* —Peter Miller, CEO Optinose (pharmaceuticals)

*“When we talk about the qualities we want in people, empathy is a big one. ... If you can empathize with people, then you can do a good job. If you have no ability to empathize, then it’s difficult to help people improve. Everything becomes harder. One way that empathy manifests itself is courtesy. ... It’s not just a veneer of politeness, but actually trying to anticipate someone else’s needs and meeting them in advance.”* —Stewart Butterfield, co-founder/CEO Slack, founder Flickr

*“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.”* —Bo Schembechler (and John Bacon), “Recruit for Character,” *Bo’s Lasting Lessons*

Promotion Decisions: *“life and death decisions”*—Peter Drucker, *The Practice of Management*

*In the Army, 3-star generals worry about training. In most businesses, it's a “ho-hum” mid-level staff function.*

*Why (why why why why why why why why why why why why why why) is intensive-extensive training obvious for the army & navy & sports teams & performing arts groups—but not for the average business?*

*“I was never much of a game coach, but I was a pretty good practice coach.” —Basketball coach John Wooden, perhaps the best coach of anything, ever*

Hall of Fame football/NFL coach Bill Walsh on the abiding importance of preparation: *“The score takes care of itself.”* (This was also the title of Walsh’s last book.)

*Is your CTO/Chief Training Officer (Do you even have one???) your top paid “C-level” job (other than the CEO/COO)? (Ha!)  
Are your top trainers paid/cherished as much as your top marketers/ engineers? (Ha!)*

**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 NOT mention training. (Aargh! Damn it!)

**What is the very best reason to go bananas over training?**

**GREED.**

**(It pays off.)**

## **Profit Through Putting People First Business Book Club**

*Business by and large has a lousy rep, and management books by and large focus on things that are broken and how to fix them. Yet there is also a robust body of “good news by putting people first” books—e.g., the list below. How about a “Profits Through People Book Club” for you and/or your leadership team?*

*Nice Companies Finish First: Why Cutthroat Management Is Over—and Collaboration Is In,* by Peter Shankman with Karen Kelly

*Uncontainable: How Passion, Commitment, and Conscious Capitalism Business Where Everyone Thrives,* by Kip Tindell, CEO Container Store (Container Store #1 company to work for /USA/Fortune)

*Conscious Capitalism: Liberating the Heroic Spirit of Business,* by John Mackey, CEO Whole Foods, and Raj Sisodia

*Firms of Endearment: How World-Class Companies Profit from Passion and Purpose,* by Raj Sisodia, Jag Sheth, and David Wolfe

*The Good Jobs Strategy: How the Smartest Companies Invest in Employees to Lower Costs and Boost Profits,* by Zynep Ton

*Joy, Inc.: How We Built a Workplace People Love,* by Richard Sheridan, CEO Menlo Innovations

*Joy at Work: A Revolutionary Approach to Fun on the Job,* by Dennis Bakke, former CEO, AES Corporation

*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

*Patients Come Second: Leading Change By Changing the Way You Lead,* by Paul Spiegelman & Britt Berrett

*It’s Your Ship: Management Techniques from the Best Damn Ship in the Navy,* by Mike Abrashoff, former commander, USS Benfold

*Turn This Ship Around; How to Create Leadership at Every Level,* by L. David Marquet

*Small Giants: Companies That Choose to Be Great Instead of Big,* by Bo Burlingham

*Hidden Champions: Success Strategies of Unknown World Market Leaders,* by Hermann Simon (#1 “management guru”/Germany)

*Retail Superstars: Inside the 25 Best Independent Stores in America,* by George Whalin

*The Soft Edge: Where Great Companies Find Lasting Success*, by Rich Karlgaard, publisher, *Forbes*

*Everybody Wins: The Story and Lessons Behind RE/MAX*, by Phil Harkins & Keith Hollihan

*The Dream Manager*, by Matthew Kelly

*Delivering Happiness: A Path to Profits*, by Tony Hsieh, Zappos

*Camellia: A Very Different Company*

*Fans, Not Customers: How to Create Growth Companies in a No Growth World*, by Vernon Hill

*Like a Virgin: Secrets They Won't Teach You at Business School*, by Richard Branson

*Good Business: Leadership, Flow, and the Making of Meaning*, by Mihaly Csikszentmihali

*Enough. The Measures of Money, Business, and Life*, by John Bogle

## **Chapter SEVEN: Tech Tsunami/Software Is Eating the World++**

***“Software is eating the world.”*** —Marc Andreessen

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

***“Ten Million Jobs at Risk from Advancing Technology: Up to 35 percent of Britain's jobs will be eliminated by new computing and robotics technology over the next 20 years, say experts [Deloitte/Oxford University].”*** —Headline, *Telegraph* (UK), **11 November 2014**

***“I believe that 90 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.”*** —Tom Peters, Cover, *Time*, 22 **May 2000**

*“Human level capability has not turned out to be a special stopping point from an engineering perspective. ....” —I Ilah Reza Nourbakhsh, Professor of Robotics, Carnegie Mellon, *Robot Futures**

*“The intellectual talents of highly trained professionals are no more protected from automation than is the driver’s left turn.” —Nicholas Carr, *The Glass Cage: Automation and Us**

*“If you think being a ‘professional’ makes your job safe, think again.” —Robert Reich*

*“A bureaucrat is an expensive microchip.” —Dan Sullivan, consultant and executive coach*

*“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* (\*“Occupations intensive in tasks that can easily be computerized are usually in the middle class.”/MIT’s David Autor)*

## **A Reading Sampler: Robots, Superintelligence, Big Data, Etc.**

*The Industries of the Future*, by Alec Ross

*Superintelligence: Paths, Dangers, Strategies*, by Nick Bostrom

*Rise of the Robots: Technology and the Threat of a Jobless Future*, by Martin Ford

*Robot Futures*, Illah Reza Nourbakhsh

*The Future of the Professions: How Technology Will Transform the World of Human Experts*, by Richard Susskind and Daniel Susskind

*The Glass Cage: Automation and Us*, by Nicholas Carr

*Data-ism: The Revolution Transforming Decisionmaking, Consumer Behavior, and Almost Everything Else*, by Steve Lohr

*Big Data: A Revolution That Will Transform How We Live, Work, and Think*, by Viktor Mayer-Schonberger and Kenneth Cukier

*Glass Jaw: A Manifesto for Defending Fragile Reputations in an Age of Instant Scandal*, by Eric Dezenhall

*Automate This: how Algorithms Came to Rule Our World*, by Christopher Steiner

*Predictive Analytics: The Power to Predict Who Will Click, buy, Lie, or Die,*  
by Eric Siegel

*Addiction By Design: Machine Gambling in Las Vegas,* by Natasha Dow Schull

## Chapter **EIGHT**: People First/A Moral Imperative Circa 2016

**CORPORATE MANDATE #1 2015:** *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 bonus: This is also the #1 mid- to long-term ... profit maximization strategy!*

### 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.**

**Boss & RPD: Your (boss's) job is (much) safer if every one**

of your team members is committed to RPD/Radical Personal Development. Actively support one and all!

*“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

#### 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.)

#### “Reframing Capitalism”: A 15-Point Human Capital Development Manifesto/HCDM at the Enterprise & National Government Level

*I was intimidated by the title of a conference I addressed in Seoul, Korea in June 2012. Namely, “Reframing capitalism.” And by the fact that a passel of Nobel laureates in economics would be addressing the issue from the same podium. 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 2025’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.*

**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. (Re profitability: 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.)

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 fun 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? But 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.

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.***

**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 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 to 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 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 great 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 underappreciated—payoff. While many small business appreciate the notion, they are unprepared to take the steps necessary to engage their, say, dozen employees in seeking 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 here is being done—and the need is appreciated and reasonably well funded. The effort must not falter; the new information-based tools are the coin of the realm.***

15. *The good news: We are up to the challenge. The entrepreneurial spirit is a near universal, not just available to a privileged few. One thinks of entrepreneurs, and Richard Branson or Elon Musk comes to mind. Fair enough. But there are as many flavors of entrepreneurial behavior as there are adult citizens. And, with effort and appropriate support systems, it is possible to re-ignite that flair in one and almost all. As Nobel Laureate and father of micro-lending Muhammad Yunus tell us, “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.”*

*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 fall into a category labeled—not optional.*

## **Chapter NINE: Giants Stink/Age of SMEs/ Be The Best, It’s the Only Market That’s Not Crowded**

*“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 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*

*The Future Is Small: Why AIM [Alternative investment Market] Will Be the World’s Best Market Beyond the Credit Boom —Gervais Williams, superstar fund manager (FT/1217.14: “Research shows that new and small companies create almost all the new private sector jobs and are disproportionately innovative.”)*

**The REAL Stars (NICHE-DOMINATORS):**

**JUNGLE JIM'S INTERNATIONAL MARKET, FAIRFIELD, OH:**

“An adventure in ‘*shoppertainment*,’ begins in the parking lot and goes on to 1,600 cheeses and 1,400 varieties of hot sauce—not to mention 12,000 wines priced from \$8-\$8,000 a bottle; all this is brought to you by 4,000 vendors. Customers from every corner of the globe.”

**BRONNER'S CHRISTMAS WONDERLAND, FRANKENMUTH, MI, POP 5,000:**  
98,000-square-foot “shop” features 6,000 Christmas ornaments, 50,000 trims, and anything

—George Whalin, *Retail Superstars: Inside the 25 Best Independent Stores in America*

**“BE THE BEST. IT'S THE ONLY MARKET THAT'S NOT CROWDED.”** —George Whalin, *Retail Superstars: Inside the 25 Best Independent Stores in America* (25 amazing stores that drive the Big Guys nuts. These are pure acts of boldness and imagination. I give this book, as inspiration, to accountants and HR directors, not just small businesspeople.)

**“... agile creatures darting between the legs of the multinational monsters”** —*Bloomberg BusinessWeek* on the German MITTELSTAND (Mid-sized firms/the Mittlestand are responsible for Germany's amazing export record)

*Hidden Champions\* of the 21st Century: Success Secrets of Unknown World Market Leaders/Hermann Simon* (\*1, 2, or 3 in world market; <\$4B; low public awareness).

E.g.,

Baader (Iceland/80% fish-processing systems)

Gallagher (NZ/electric fences)

**W.E.T. (heated car seat tech)**

Gerriers (theater curtains and stage equipment)

Electro-Nite (sensors for the steel industry)

Essel Propack (India/tooth paste tubes)

SGS (product auditing and certification)

DELO (speciality adhesives)

Amorim (Portugal/cork products)

EOS (laser sintering)

Beluga (heavy-lift shipping)

Omicron (tunnel-grid microscopy)

Universo (wristwatch hands)  
Dickson Constant (technical textiles)  
O.C. Tanner (employee recognition/\$400M)  
Hoeganaes (powder metallurgy supplies)

## Chapter TEN: Innovate Or Die W.T.T.M.S.W./Whoever Tries The Most Stuff Wins++

**WTTMSW: Whoever Tries The Most Stuff Wins.\***

(\*The only thing I've learned "for sure" in the last 50 years—seriously)

**READY. FIRE! AIM.** —H. Ross Perot (vs "Aim! Aim! Aim!"/  
EDS vs GM/1985)

***"On s'engage et puis on voit!"*** \* —Napoleon  
\**"One jumps into the fray, then figures out what to do next."*

***Screw it. Just do it.*** —book title, Richard Branson

*"Burt Rutan [Scaled Composites] wasn't a fighter pilot; he was an engineer who had been asked to figure out why the [U.S. Air Force] F-4 Phantom was flying pilots into the ground in Vietnam. While his fellow engineers attacked such tasks with calculators, Rutan insisted on considering the problem in the air. A near-fatal flight not only led to a critical F-4 modification, it also confirmed for Rutan a notion he had held ever since he had built model airplanes as a child. 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." —Eric Abrahamson & David Freedman, Chapter 8, "Messy Leadership," from *A Perfect Mess: The Hidden Benefits of Disorder**

*"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*

***"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

***“FAIL. FORWARD. FAST.”***—High Tech CEO, Pennsylvania

***“FAIL FASTER. SUCCEED SOONER.”*** —David Kelley/IDEO

***“MOVE FAST. BREAK THINGS.”*** —Facebook

***“NO MATTER. TRY AGAIN. FAIL AGAIN. FAIL BETTER.”*** —Samuel Beckett

***“REWARD excellent failures. PUNISH mediocre successes.”***—Phil Daniels

***“In business, you REWARD people for taking RISKS. WHEN IT DOESN'T WORK OUT YOU PROMOTE THEM -BECAUSE THEY WERE WILLING TO TRY NEW THINGS. If people tell me they skied all day and never fell down, I tell them to try a different mountain.”*** —Michael Bloomberg

***“What really matters is that companies that don't continue to experiment—COMPANIES THAT DON'T EMBRACE FAILURE — eventually get in a desperate position, where the only thing they can do is make a ‘Hail Mary’ bet at the end.”***  
—Jeff Bezos

***“It is not enough to ‘tolerate’ failure—you must ‘CELEBRATE’ failure.”*** —Richard Farson (*Whoever Makes the Most Mistakes Wins*)

**Failure:**

**EMBRACE  
CELEBRATE  
PROMOTE**

***“The secret of fast progress is INEFFICIENCY, fast and furious and numerous failures.”***—Kevin Kelly

***“The essence of capitalism is encouraging failure, not rewarding success.”***  
—Nassim Nicholas Taleb

***“YOU MISS 100% OF THE SHOTS YOU NEVER TAKE.”***  
—Wayne Gretzky (my #1 favorite slide/quote)

**WTTMSASTMSUTFW: WHOEVER TRIES THE MOST STUFF (AND SCREWS THE MOST STUFF UP THE FASTEST) WINS**

*“If things seem under control, you’re just not going fast enough.”* —Mario Andretti, race driver

*“I’m not comfortable unless I’m uncomfortable.”* —Jay Chiat

*“If it works, it’s obsolete.”* —Marshall McLuhan

As big a deal as there is:

**We Are What We Eat.  
We Are Who We Hang Out With.**

**Diversity: “IT IS HARDLY POSSIBLE TO OVERRATE THE VALUE OF PLACING HUMAN BEINGS IN CONTACT WITH PERSONS DIS-SIMILAR 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

*“You will become like the five people you associate with the most—this can be either a blessing or a curse.”* —Billy Cox

The “Hang Out Axiom”: **“HANG OUT WITH ‘COOL’ AND THOU SHALT BECOME MORE COOL. HANG OUT WITH ‘DULL’ AND THOU SHALT BECOME MORE DULL. PERIOD.”**

**CxQ/Connectional Intelligence: “Connectional Intelligence is the ability to combine the world’s diversity of people, networks, disciplines and resources, forging connections that create value, meaning, and breakthrough results.”** —Erica Dhawan and Saj-Nicole Joni, *Get BIG Things Done: The Power of Connectional Intelligence\** (\*Superb book!)

***“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, *Harvard Business Review*

Summary/Innovation:

**Innovation Index: How many of your Top 5 Strategic Initiatives/Key Projects score 8 or higher (out of 10) on a “Weird”/“Profound”/ “Wow”/“Game-changer” Scale? (At least 3???)**

**Innovation Index: Move every project (definition) 2 notches up on the “WOW Scale” ... THIS WEEK.**

**Iron Innovation Equality Law: *The quality and quantity and imaginativeness of innovation (and formal R&D) shall be the same in all functions—e.g., in HR and purchasing as much as in marketing or product development.***

***“Do one thing every day that scares you.”* —Eleanor Roosevelt**

## **Chapter ELEVEN: Nine Value-added Strategies**

- #1: TGRs/Things Gone Right**
- #2: Listening (Per Se)**
- #3: Social Business**
- #4: Big Data**
- #5: Design**
- #6: Women As Predominant Customer**
- #7: The (Enormous) Aging Market**
- #8: Services (Of Every Conceivable Flavor) Added**
- #9: Our People As #1 Value Driver**

## #1: TGRs/Things Gone Right

TGRs: The Great Chasm:

Customers describing their service experience as “superior”: 8%

Companies describing the service experience they provide as “superior”: 80%

—Source: Bain & Company survey of 362 companies, reported in John DiJulius, *What's the Secret to Providing a World-class Customer Experience?*

One answer to “The Great Chasm”: **Maximize TGRs/Things Gone Right** (Minimizing TGWs/Things Gone Wrong only goes so far, particularly in a world—circa 2016—where most stuff at every pricepoint works; hence, flip to the other side of the equation, TGRs.)

**NOT** “Consultant-ese”: ***“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*

*“At our core, we’re a coffee company, but the opportunity we have to extend the brand is beyond coffee. **IT’S ENTERTAINMENT.**”*  
—Howard Schultz/Starbucks

*“When Pete Rozelle ran the NFL, it was a football business and a good one. **NOW IT’S TRULY AN ENTERTAINMENT BUSINESS.**”* — Paul Much, Investment Advisor

From George Whalin’s *Retail Superstars*: Jungle Jim’s International Market, Fairfield, OH., **AN ADVENTURE IN “SHOPPERTAINMENT.”**

**Boston Globe**: *“Why did you [Berkshire Hathaway] buy Jordan’s Furniture?”*

**Warren Buffett**: *“Jordan’s is spectacular. **IT’S ALL SHOWMANSHIP.**”*

**K = R = P**

Kindness = Repeat Business = Profit.



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

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

### **#3: Social Business**

***“What used to be ‘word of mouth’ is now ‘word of mouse.’ You are either creating brand ambassadors or brand terrorists doing brand assassination.” —John DiJulius, *The Customer Service Revolution: Overthrow Conventional Business, Inspire Employees, and Change the World****

Welcome to the Age of Social Media: ***“It takes 20 years to build a reputation and five minutes to ruin it. Also, the Internet and technology have made customers more demanding., and they expect information, answers, products, responses, and resolutions sooner than ASAP.” —John DiJulius, *The Customer Service Revolution****

Welcome to the Age of Social Media: ***“The customer is in complete control of communication.” —John DiJulius, *The Customer Service Revolution: Overthrow Conventional Business, Inspire Employees, and Change the World****

***“I would rather engage in a Twitter conversation with a single customer than see our company attempt to attract the attention of millions in a coveted Super Bowl commercial. Why? Because having people discuss your brand directly with you, actually connecting one-to-one, is far more valuable—not to mention far cheaper!.. ...***

***“Consumers want to discuss what they like, the companies they support, and the organizations and leaders they resent. They want a community. They want to be heard. “[I]f we engage employees, customers, and prospective customers in meaningful dialogue about their lives, challenges, interests, and concerns, we can build a community of trust, loyalty, and—possibly over time—help them become advocates and champions for the brand.” —Peter Aceto, CEO, Tangerine (from the Foreword to *A World Gone Social: How Companies Must Adapt to Survive*, by Ted Coine & Mark Babbit/Tangerine is a wildly successful Canadian financial services company))***

Going “Social”: Location/Size Independent: *“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 also happen to build them.’” —Jay Baer, *Youtility: Why Smart Marketing Is About Help, Not Hype**

**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](http://www.zeromomentoftruth.com) for ZMOT in booklength format)*

Welcome to the Age “Augmented Memory” : *“You can run tests on your emails for the last year for keystroke data (how hard you hit the keys, serving as a proxy for anger/stress) and see what times of the day or week you tend to be emotional and how that effects people’s responses to your messages. ... You can cross-reference your GPS data with your emails .... using sentiment analysis (technology that identifies certain words that infer positive, negative or neutral language patterns) to identify the places where you are most productive.” —John Havens, *Hacking Happiness**

#### **#4: Big Data**

*“Caesars’ Entertainment have bet their future on harvesting personal data rather than developing the fanciest properties.” —Adam Tanner, *What Stays in Vegas: The World of Personal Data—Lifeblood of Big Business—and the End of Privacy as We Know it**

## #5: Design

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

—Steve Jobs

Apple design: ***“Huge degree of care.”*** —Ian Parker, *New Yorker*,  
on Apple design chief Jony Ives’

***“In some way, by caring, we are actually serving humanity. People might think it’s a stupid belief, but it’s a goal—it’s a contribution that we hope we can make, in some small way, to culture.”*** —Jony Ives

***“Expose yourself to the best things humans have done and then try to bring those things into what you are doing.”*** —Steve Jobs

***“Apple’s great design secret may be avoiding insult. Their thoughtfulness is a sign of respect. Elegance in objects is everybody’s right, and it shouldn’t cost more than ugliness. So much of our manufacturing environment testifies to carelessness.”***  
—Paola Antonelli, MOMA

***“Steve and Jony would discuss corners for hours and hours.”***

—Laurene Powell Jobs

***“Typically, design is a vertical stripe in the chain of events in a product’s delivery. [At Apple, it’s] a long, horizontal stripe, where design is part of every conversation.”***  
—Robert Brunner, former Apple design chief

***“Design is treated like a religion at BMW.”*** —*Fortune*

***“With its carefully conceived mix of colors and textures, aromas and music, STARBUCKS is more indicative of our era than the iMac. It 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*

Design is ...

- \* The reception area
- \* The restrooms!!
- \* 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.

*“Designers are people who think with their hearts.”* —James, age 10

*“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)

Ann Landers as management guru/ three criteria for products, projects, a communication, etc.:

**Good.**

**True.**

**Helpful.**

## **#6: Women As Predominant Customer**

**“Forget CHINA, INDIA and the INTERNET:  
Economic Growth Is Driven by WOMEN.”**

—Headline, *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. Consider Dell’s ...”  
—Michael Silverstein and Kate Sayre, “The Female Economy,” *HBR*

“Women are **THE** majority market” —Fara Warner/*The Power of the Purse*

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%

**AND: In the USA women hold >50% managerial positions including >50% purchasing officer positions; hence women also make the majority of commercial purchasing decisions.**

Women (USA) as ...

Purchasing agents: 55%  
Purchasing managers: 42%  
Wholesale/retail buyers: 52%  
Employee health-benefit plans: 60%  
—Martha Barletta/TrendSight Group

“**The MOST SIGNIFICANT VARIABLE in EVERY sales situation is the GENDER of the buyer, and more importantly, how the salesperson communicates to the buyer’s gender.**” —Jeffery Tobias Halter, *Selling to Men, Selling to Women*

Selling to men: THE TRANSACTION MODEL  
Selling to Women: THE RELATIONAL MODEL  
—Jeffrey Tobias Halter, *Selling to Men, Selling to Women*

## #7: The (Enormous) Aging Market

The (ENORMOUS/UNDERSERVED) “Oldies” Market/USA:

Population >50: **109,000,000**

Next 10 years:

>50: +19,000,000

18-49: +6,000,000

USA: **1 BOOMER turns AGE 65 every 8 SECONDS  
for the next 20 YEARS**

“Age Power’ will rule the 21st century, and we are woefully unprepared.”  
—Ken Dychtwald, *Age Power: How the 21st Century Will Be Ruled by the New Old*

**44-65: “NEW CUSTOMER MAJORITY”** —David Wolfe &  
Robert Snyder, *Ageless Marketing*

**50@50: “PEOPLE TURNING 50 TODAY HAVE MORE  
THAN HALF OF THEIR ADULT LIFE AHEAD OF  
THEM.”** —Bill Novelli, *50+: Igniting a Revolution to Reinvent America*

Average # of cars purchased per (USA) household, “lifetime”: 13  
Average # of cars bought per household after the “head of household” > age 50: 7  
—Marti Barletta, *PrimeTime Women*

“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

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

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

## **#8: Services (Of Every Conceivable Flavor) Added**

*“Rolls-Royce now earns MORE from tasks such as managing clients’ overall procurement strategies and maintaining aerospace engines it sells than it does from making them.”  
—Economist*

*“Big Brown’s New Bag: UPS Aims to Be the Traffic Manager for Corporate America”  
—Headline/BW*

*“UPS wants to take over the sweet spot in the endless loop of goods, information and capital that all the packages [it moves] represent.” —ecompany.com*

**UPS = United Problem Solvers** (service mark)

*“THE GIANT STALKING BIG OIL: How Schlumberger Is Rewriting the Rules of the Energy Game.”: “IPM [Integrated Project Management] strays from [Schlumberger’s] traditional role as a service provider and moves deeper into areas once dominated by the majors.” —BusinessWeek*

## **Chapter FOURTEEN: You/Me/ The “Age of ‘BRAND YOU’/‘Me Inc.’”**

*“One of the defining characteristics [of the change] is that it will be less driven by countries or corporations and more driven by real people. It will unleash unprecedented creativity, advancement of knowledge, and economic development. But at the same time, it will tend to undermine safety net systems and penalize the unskilled.” —Clyde Prestowitz, *Three Billion New Capitalists**

***“IF THERE IS NOTHING VERY SPECIAL ABOUT YOUR WORK ... NO MATTER HOW HARD YOU APPLY YOURSELF YOU WON’T GET NOTICED, AND THAT INCREASINGLY MEANS YOU WON’T GET PAID MUCH EITHER.”*** —Michael Goldhaber, *Wired*

*“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*, 1014.13

Muhammad Yunus: ***“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, Nobel Laureate

## **Chapter THIRTEEN: The “PSF”/ Professional Service Firm “Model” as Exemplar/“Cure All”**

WHITE-COLLAR SURVIVAL STRATEGY #1/Department as Smallish/Entrepreneurial **BUSINESS**: E.g.: Training Inc., a 14-person unit/PSF/Professional Service Firm in a 50-person HR department in a \$200M business unit in a \$3B corporation—aiming for Excellence & WOW! (See my ... *Professional Service Firm 50: Fifty Ways to Transform Your “Department” Into A Professional Service Firm Whose Trademarks Are Passion and Innovation.*)

PSF/Professional Service Firm/Beliefs:

**PROFESSION: CALLING/PASSION TO MAKE A DIFFERENCE/  
EXCELLENCE (ALWAYS)**

**POINT OF VIEW: KNOW EXACTLY WHAT WE STAND FOR/  
“DRAMATIC DIFFERENCE”**



**CLIENT: ENDURING, TEST-THE-LIMITS RELATIONSHIP/  
“TRUSTED ADVISOR”**

**SOLUTION: ROCK HIS-HER WORLD/ “WOW”/ IMPLEMENTED “CULTURE  
CHANGE”/ >>>>>> “SATISFACTION”**

**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.***

**WPP (UK-based marketing services firm)**

**Big Idea: “CORPORATION” AS MEGA-“PSF”  
(IP Are Us! In Every Nook and Every Cranny)**

**Chapter SIXTEEN: Leadership/46 Scattershot Tactics**

# **MBWA**

**(Managing By Wandering Around)**

***“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 (*Fortune*, “Secrets of Greatness”)

***“A body can pretend to care, but they can’t pretend to be there.”*** — Texas Bix Bender

**The 50% Rule:** ***“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. ... 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.” —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”)**

“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*

**ALLIES**: Spend **80%** of your time on allies—*finding* and *developing* and *nurturing* allies of every size and shape in every nook and cranny is the name of the winning game.

Loser: “He’s such a suck-up!”

Winner: “He’s such a suck-down.”

$S = f(\#PK\text{“}\underline{W}\text{”}P)$

# of people you know in the “wrong” places

$S = f(\#PK\text{“}\underline{L}\text{”}P)$

# of people you know in “low” places

(Where “S” is success)

***You = Your calendar\* (\*The calendar NEVER lies.)***

*“If there is any ONE ‘secret’ to effectiveness, it is concentration. Effective executives do first things first ... and they do ONE thing at a time.” —Peter Drucker*

*“Nothing is so contagious as enthusiasm.” —Samuel Taylor Coleridge*

*“I am a dispense of enthusiasm.” —Ben Zander, symphony conductor and management guru*

*“It’s always showtime.” —David D’Alessandro, Career Warfare*

*“The capacity to develop close and enduring relationships is the mark of a leader. Unfortunately, many leaders of major companies believe their job is to create the strategy, organization structure and organizational processes—then they just delegate the work to be done, remaining aloof from the people doing the work.” —Bill George, Authentic Leadership*

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

*\*“‘Craving,’ not ‘wish’ or ‘desire’ or ‘longing,’” per Dale Carnegie, *How to Win Friends and Influence People* (chapter, “The BIG Secret of Dealing With People”)*

*“When I left the dining room after sitting next to Gladstone, I thought he was the cleverest man in England. But when I sat next to Disraeli I left feeling I was the cleverest person.” —Jennie Jerome (WSC’s American mother)*

*“When you are talking to [Bill Clinton], you feel like he doesn’t care about anything or anybody else around but you. He makes you feel like the most important person in the room.” —Mark Hughes, screenwriter, Forbes blogger*

*“Acknowledge” ... perhaps the most powerful word (and idea) in the English language—and in the manager’s tool kit!*

*CEO Doug Conant sent 30,000 handwritten ‘Thank you’ notes to employees during the 10 years [approx 10/day] he ran Campbell Soup.  
—Bloomberg BusinessWeek*

***“Employees who don't feel significant rarely make significant contributions.”*** —Mark Sanborn

*The four most important words in any organization are ...* ***“WHAT DO YOU THINK?”*** —Courtesy Dave Wheeler, posted at [tompeters.com](http://tompeters.com)

*“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

***“If I had to pick one failing of CEOs, it's that ... they don't read enough.”*** —Co-founder, one of world's largest investment banking companies, to TP

*“In my whole life, I have known no wise people (over a broad subject matter area) who didn't read all the time — none. Zero. You'd be amazed at how much Warren [Buffett] reads — and how much I read.”* —Charlie Munger (#2, Berkshire Hathaway)

***“AS LEADERS, WOMEN RULE: New Studies find that female managers outshine their male counterparts in almost every measure”***—TITLE/Special Report/*BusinessWeek*

*“Research [by McKinsey & Co.] suggests that to succeed, start by promoting women.”*  
—Nicholas Kristof, “Twitter, Women, and Power,” *NYTimes*

**For One (BIG) Thing:** *“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% higher.”* —Nicholas Kristof, “Twitter, Women, and Power,” *New York Times*

***“In my experience, women make much better executives than men.”*** —Kip Tindell, CEO, Container Store

***“Women are rated higher in fully 12 of the 16 competencies that go into outstanding leadership. And two of the traits where women outscored men to the highest degree — taking initiative and driving for results — have long been thought of as particularly male strengths.” —Harvard Business Review/2014***

**Women-led private tech companies: 35% higher return on investment than male-led ones**

**Women-led tech companies with venture backing: Revenues 12% higher than male-led companies**

**25,000 Kickstarter projects: Women-led crowd-funders more likely to get fully funded than male-led**

**—Inc./October 2015/cover/“Will the Next Steve Jobs Be a Woman?”**

**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. —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**

**—Horacio Falcao, Cover story/May 2006, *World Business*, “Say It Like a Woman: Why the 21st-century negotiator will need the female touch”**

**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

—Louann Lofton, *Warren Buffett Invests Like a Girl: And Why You Should Too* (Chapter 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*

*“The problem with communication is the illusion that it has been accomplished.”*  
—George Bernard Shaw

**THE PROBLEM IS RARELY/NEVER THE PROBLEM.  
THE RESPONSE TO THE PROBLEM INVARIABLY ENDS  
UP BEING THE REAL PROBLEM.\*  
\*PERCEPTION IS ALL THERE IS!**

**Relationships (of all varieties): 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.\***

\*Divorce, loss of a BILLION \$\$\$ aircraft sale, etc., etc

The completed “three-minute call” often-usually-invariably leads to a *strengthening* of the relationship. It not only acts as atonement but also paves the path for a “better than ever” trajectory. And having taken the initiative per se is worth its weight in ...

*“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.*

Wait: THE SIN OF “SEND”

1. Do NOT push “SEND.” Pause. Five minutes. An hour. *Overnight.*  
**(TWWNCTAE/The World Will Not Come To An End.)**  
**(SBOOSR/Stop Being One Of Skinner’s Rats)**
2. Do NOT immediately respond to that IM (unless it is a car accident involving spouse or child). PAUSE. REFLECT. (TWWNCTAE/SBOOSR)
3. Responding to that email CAN wait an hour. Can wait a ... DAY. Pause. Think. Counsel with others. (TWWNCTAE/SBOOSR) AXIOM2015: The word “Instant” (yes, even in 2016) and the words “creative” “considered” “thoughtful” “excellence” are by & large NOT congruent. (TWWNCTAE/SBOOSR)

WSJ/0910.13: *“What matters most to a company over time? Strategy or culture?”*  
Dominic Barton, Managing Director, McKinsey & Co.: *“Culture.”*

*“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.”* —Lou Gerstner,  
*Who Says Elephants Can’t Dance*

*“Culture eats strategy for breakfast.”* —Ed Schein/1986

*In Search of Excellence* in 6 words:

***Hard is Soft.***

***Soft is Hard.***

*Hard* (numbers, plans) *is Soft.*

*Soft* (people/relationships/culture) *is Hard.*

## Chapter SEVENTEEN: Avoid Moderation!/Pursue “Insanely Great”/Just Say “NO!” to Normal

### 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!**

**“INSANELY GREAT”** —Steve Jobs

**“RADICALLY THRILLING”** —BMW

**“ASTONISH ME”** —Sergei Diaghley, to a lead dancer

**“BUILD SOMETHING GREAT”** —Hiroshi Yamauchi, Nintendo president,  
to a senior game designer

**“MAKE IT IMMORTAL”** —David Ogilvy, to a copywriter

**“YOU CAN’T BEHAVE IN A CALM, RATIONAL MANNER.  
YOU’VE GOT TO BE OUT THERE ON THE LUNATIC  
FRINGE.”** — Jack Welch

**“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



***"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." —GB Shaw, *Man and Superman: The Revolutionists' Handbook.****

*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