

**WOBI on Change Management  
Digital Seminar 23-25 June 2020**

**EXCELLENCE MANIFESTO 2020  
THE TWENTY-NINE “NUMBER ONES”**

**Tom Peters**  
25 June 2020

***“We do not remember days. We remember moments.”***  
—Cesare Pavese

## THE TWENTY-NINE “NUMBER ONES”

Dear Colleagues,

It has been thirty-eight years since the publication of *In Search of Excellence*, which was followed by seventeen more books. Two-thousand-five-hundred-plus speeches. Sixty-plus countries. And the opportunity to meet thousands upon thousands of people. Some in big firms. Many in exciting small firms. Students and octogenarians. CEOs and school principals and fire chiefs and preachers and electricians and housekeepers. You name it. In this brief paper, I want to extract the essence of that work and those meetings—and those people. To distill, well, the most important—and durable—things I have learned, and I hope ingested. I have connected with, among others, an extraordinary set of human beings, such as Southwest Airlines’ Herb Kelleher, the inimitable Richard Branson, the peerless Anita Roddick, Steve Jobs, Bob Noyce, Bill Hewlett, and virtually all the Silicon Valley stars during my twenty-plus years with the Tom Peters Company at 555 Hamilton Avenue in Palo Alto.

I’d suggest that, as presented here, these ideas are not only timely—success drivers in the age of AI, disruption-after-disruption, and so on—but more timely than ever and more or less requisite actions for leaders, and that’s all of us. Leadership is in the end a mindset, not a “slot” on an organization chart, which I learned from former White House staffer Betsy Myers—a mindset we must adopt now if we want something that resembles a sustainable and humane workplace. Perhaps this is a barebones “Excellence Manifesto 2020.” That certainly is my hope, challenge, and fondest wish for everyone.

Thanks for your attention,

*Tom*

# COVID-19/TUMULTUOUS TIMES THE EXCELLENCE CHALLENGE NOW MORE THAN EVER

As I complete this paper, so long in the making, we are in the grasp of COVID-19 and social unrest in the USA, the likes of which we have not seen since the late 1960s. All bets are off? No! The bets are decidedly on. The central ideas presented here—culminating a 43-year search for enterprise and individual excellence—are in fact far *more* pertinent than before.

Humane leadership, putting people REALLY first, the power of excellent relationships, products and services that contribute to society and make us proud, support a-day-at-a-time for our communities. All of these and more have been de facto at the top of my Excellence Priority List for all those 43 years. And now their importance has shot through the roof. The things I've said are "important" are now necessary, urgent, a moral requisite, and not optional.

I'd add and conclude—in no uncertain terms—that the way leaders behave during these crises will define their life's work. It's that simple.

(Fingers crossed: hope of hopes, perhaps when the worst of today's turmoil is behind us, these more humane, people-centric ideas and practices can become standard fare for our commercial and non-commercial enterprises. And, incidentally and not to diminish my argument above, the practices suggested not only contribute to society, but they result in commercial/"bottom line" success as well.)

## THE TWENTY-NINE “NUMBER ONES”

- *Capital Investment #1*: Training! Training!! Training!!!
- *Axiom #1*: Hard (plans, org charts, numbers) is soft. Soft (people, relationships, culture) is hard.
- *Commandment #1*: Excellence is not an “aspiration.” Excellence is the next five minutes. (Or nothing at all.).
- *Moral Obligation #1*: Leave no stone unturned in preparing workers for a rocky future.
- *Obsession #1*: Strategy is a commodity. Execution is an art.
- *Job #1*: Establish and maintain a People (R-E-A-L-L-Y) First culture.
- *Calling #1*: Leading = A human potential maximization activity. There is no higher calling.
- *Leadership team must #1*: Women are better leaders. Put women in charge.
- *Asset #1*: First-line managers drive ALL key productivity-quality-innovation variables.
- *Hiring Requirement #1*: Hire first and foremost for EQ/“soft skills” in 100 percent of jobs.
- *Core Value #1*: Listening excellence. “Aggressive” listening. “Fierce” listening.
- *Global Obligation #1*: Extreme sustainability practices. NOW.
- *State of Mind #1*: Organizations are first and foremost vibrant communities. Organizations are communities embedded in communities.

- *Value-Added Strategy #1/Differentiator #1*: Design excellence. Extreme Humanization.
- *Value-Added Tiny Tactic #1*: Small >> Big. “TGRs”/Things Gone Right.
- *Value-Added Success Credo #1*: The Three Rules: Better before cheaper. Revenue before cost. There are no other rules.
- *Business Development Opportunity #1*: Women buy *everything*. Act accordingly!
- *Missed Market Opportunity #1*: Oldies have *all* the money. And plenty of time left to spend it. Act accordingly!
- *Economic Cornerstone #1*: SMEs/Small and Medium-Size Enterprises employ almost all of us, create almost all new jobs, and are the source of almost all innovation. (Nurture them.)
- *Innovation Strategy #1*: WTTMSW/Whoever Tries The Most Stuff Wins. WTTMS(ASTMSUTF)W Whoever Tries The Most Stuff (And Screws The Most Stuff Up The Fastest) Wins. Whoever has the most weirdos wins. Diversity trumps ability.
- *Daily Strategic Activity #1*: MBWA/Managing By Wandering Around.
- \**Time Management Must #1*: Slow down. Keep 50 percent of your time unscheduled.
- \**Time Investment #1*: Best relationships win!
- *Hallmark #1*: Culture maintenance comes first. Must be a one-minute-at-a-time obsession.
- *Power Word #1*: “Acknowledgement” is the most powerful word in the language. (“Thank you” and “I’m sorry” are the four most powerful words.)
- *Personal Habit #1*: Read. Read. Read. Read. Read.
- *Toughest Task #1*: Self-management is the top leader attribute. Fact: your self-perception stinks.

- *Reflection #1*: “Resume Virtues” vs. “Eulogy Virtues.” Focus on the Eulogy Virtues.

- *Standing Order #1*: Be kind.

# CAPITAL INVESTMENT #1: TRAINING! TRAINING! TRAINING!

*“training, TRAINING, and M-O-R-E T-R-A-I-N-I-N-G”*

—Admiral Chester Nimitz, Commander in Chief/Pacific, communication to Chief of Naval Operations Ernest King in 1943. (Fact: The U.S. Navy was woefully unprepared at the time of Pearl Harbor. The fix: T-R-A-I-N-I-N-G. Yes, more training was more important than more ships at the outset of the conflict.) (Note: The capitalization and punctuation in the quote above are Admiral Nimitz’s, not mine.)

Training is a capital expense. And, yes, Capital Investment #1. “Radical personal development” for all is a moral responsibility, an immeasurable long-term strategic-differentiation opportunity, and money in-the-bank. Training is ten times more important than before in the age of AI. Richard Branson: “Train them well enough so that they can leave. Treat them well enough so that they don’t want to leave.”

*Twenty-nine “Number Ones.” Only one Number One can come first. Training was an easy call. My definition of an organization is: People (Leaders) Serving People (Employees) Serving People (Customers and Communities). My life in a nutshell: thirty-eight years of shouting “People! People! People!” And a no-bull people-focus, people obsession depends—entirely—on training and preparation, which gets shortchanged and is perfunctory far more often than not. For example, if your company is a sizable one, does it have a CTO? That is, a Chief Training Officer as a senior C-level position? Hah. CTO, yes—Chief Technology Officer, but the training boss is a mid-level, ho-hum slot. Not in my world order! The Chief Training Officer has a corner office on the executive floor. I’ve had a successful career. I’ve said, when asked, “I’m often not the smartest guy in the room, but nobody can out-prepare me”—and, arrogant or not, I believe it. Training and preparation are the number one among 29 number ones. Let’s give the last word to no less than Abraham Lincoln: “Give me six hours to chop down a tree, and I will spend the first four sharpening the axe.”*



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**AXIOM #1:  
HARD (PLANS, ORG CHARTS, NUMBERS) IS  
SOFT. SOFT (PEOPLE, RELATIONSHIPS,  
CULTURE) IS HARD.**

Sustaining winners: The egregiously misnamed “soft stuff” comes *first!*  
So why do so relatively few leaders “get it”?

Consider this, from Patrick Lencioni, in *The Advantage: Why Organizational Health Trumps Everything Else in Business*,

“As I sat there listening to one presentation after another highlighting the remarkable and unorthodox activities (people-first dogma, leadership style, communal culture, etc.) that have made this organization so healthy, I leaned over and asked the CEO, ‘Why in the world don’t your competitors do any of this?’ After a few seconds he whispered, ‘I honestly believe they think it’s beneath them.’”

Yikes.

“They think it’s beneath them.”

Alas, true in my experience.

For starters: Let’s put a few more philosophy majors and a few more women in charge—maybe we could move the needle a bit in the “soft is hard” direction.

(Make that: a LOT more philosophy majors, a LOT more women.)

**COMMANDMENT #1:  
EXCELLENCE IS “NOT AN “ASPIRATION.”  
EXCELLENCE IS THE NEXT FIVE MINUTES.  
(OR NOTHING AT ALL.)**

*EXCELLENCE is not an “aspiration.”*

*EXCELLENCE is not a “hill to climb.”*

*EXCELLENCE is the ultimate short-term strategy.*

*EXCELLENCE is the next five minutes.*

*(Or nothing at all.)*

EXCELLENCE is your next 5-minute conversation in the real or virtual “hallway.”

*Or not.*

EXCELLENCE is your next 4-line email.

*Or not.*

***EXCELLENCE is not an  
“aspiration.”***

***EXCELLENCE is not a  
“hill to climb.”***

***EXCELLENCE is the  
ultimate short-term strategy***

***EXCELLENCE is the next  
five minutes.***

***(Or nothing at all.)***

EXCELLENCE is the first three minutes of your next meeting.

*Or not.*

EXCELLENCE is shutting up and listening—*really* listening, “aggressively” listening.

*Or not.*

EXCELLENCE is sending flowers to the hospital where your top customer’s Mom is having serious surgery.

*Or not.*

EXCELLENCE is saying “Thank you” for something “small.”

*Or not.*

EXCELLENCE is pulling out all the stops at warp speed to respond to a “minor” screw-up.

*Or not.*

EXCELLENCE is the flowers you bring to work on a dispiriting rainy day.

*Or not.*

EXCELLENCE is learning the names and school years of all 14 of your team members’ kids.

*Or not.*

EXCELLENCE is bothering to learn the way folks in finance (or IS or HR) think.

*Or not.*

EXCELLENCE is waaaay “over”-preparing for a three-minute presentation.

*Or not.*

EXCELLENCE is . . .

## **MORAL OBLIGATION #1: LEAVE NO STONE UNTURNED IN PREPARING WORKERS FOR A ROCKY FUTURE.**

“Business has the responsibility to increase the sum of human well-being.”

--Mihaly Csikszentmihalyi, *Good Business*

If an employee works for you for even a month as a temp, he or she should leave with new skills and a perpetual growth attitude that will up the odds of thriving tomorrow—and the day after.

**OBSESSION #1:  
STRATEGY IS A COMMODITY.  
EXECUTION IS AN ART.**

“Amateurs talk about strategy. Professionals talk about logistics.”  
—General Omar Bradley, commander of 1st US Army at D-Day

“Strategy is a commodity. Execution is an art.”  
—Peter Drucker

“Execution *is* strategy.”  
—Fred Malek, my White House boss

“Don’t forget execution, boys. It’s that ‘all-important last 95 percent.’”  
—McKinsey boss to a team I was part of

At a banquet celebrating his extraordinary career, hotelier Conrad Hilton was asked by the emcee “to share his number one success secret with the audience.” His response, in its entirety: “Don’t forget to tuck the shower curtain into the bathtub.” Guests come to the hotel because of location, location, location and sterling architecture, but they come back and recommend to others because of the likes of the tucked-in shower curtain—and all that the carefully attended curtain implies about both guest care and the respect with which we treat the typically unheralded housekeeping staff. (FYI: That Hiltonism is always PowerPoint Slide #1 in my presentations.)

**JOB #1:  
ESTABLISH AND MAINTAIN  
A PEOPLE (R-E-A-L-L-Y) FIRST CULTURE.**

“As ridiculous as it sounds—joy is the core belief of our workplace. Joy is the reason my software company, Menlo Innovations, exists and thrives.”  
—Richard Sheridan, *Joy, Inc.: How We Built a Workplace People Love*

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

“If you want staff to give great service, give great service to staff.”  
—Ari Weinzwieg, Zingerman’s

***“Amateurs talk about strategy. Professionals talk about logistics.”***

—General Omar Bradley, commander of 1st US Army at D-Day

***“Strategy is a commodity. Execution is an art.”***

—Peter Drucker

“What employees experience, customers will experience. Your customers will never be any happier than your employees.” (emphasis added)

—John DiJulius

Podcast Interviewer (publicity tour for *The Excellence Dividend*): “Tom, you write a lot about people . . .”

Me: “What the f--- else is there to write about?”

(Note: This exchange, exactly, was repeated on numerous occasions.)

A culture of excellence is exciting, energizing, valuable to all stakeholders, ennobling—and profitable. And the only sure-fire basis thereof is (damn it!) . . . people (REALLY) first.

ONE DAY AT A TIME.

FOREVER.

**CALLING #1:  
LEADING = A HUMAN POTENTIAL  
MAXIMIZATION ACTIVITY  
THERE IS NO HIGHER CALLING.**

“The role of the director is to create a space where actors and actresses can become more than they have ever been before, more than they have ever dreamed of being.”

—Robert Altman, accepting the Lifetime Achievement Award at the Oscars

“His vision for others was always greater than what they imagine for themselves. His vision for me was way bigger than my own. More importantly, he didn’t just show up in my life and leave. He stayed.”

—Sabrina Ionescu, NCAA women’s basketball star, at the memorial service for her mentor, Kobe Bryant

Bottom line and unequivocal: *Every* manager, leader, or coach absolutely has the career opportunity to dramatically and decisively affect the lives of thousands—far more than, say, any surgeon! (FYI: I adamantly believe that “no higher calling” is not laden with even a smidgeon of exaggeration.)

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# **LEADERSHIP TEAM MUST #1: WOMEN ARE BETTER LEADERS. PUT WOMEN IN CHARGE.**

“Research by McKinsey & Co. suggests that to succeed, start by promoting women.”  
—Nicholas Kristof, *New York Times*

“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

“As leaders, women rule: New studies find that female managers outshine their male counterparts on almost every measure.”  
—*BusinessWeek* Special Section

“Women are rated higher in fully 12 of 16 competencies that go into outstanding leadership.”  
—*Harvard Business Review*

“In politics, if you want anything said, ask a man. If you want anything done, ask a woman.”  
—Margaret Thatcher

Bottom line: Women should have the same—or more—representation than men on exec teams and boards. Take note: This is a winning business strategy, not “a good thing to do.”

(Research also shows that women, in addition to demonstrating superior leadership skills, are better negotiators, better salespersons, and better investors.)

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—Margaret Thatcher

**ASSET #1:  
FIRST-LINE MANAGERS DRIVE ALL KEY  
PRODUCTIVITY-QUALITY-  
INNOVATION VARIABLES.**

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

Fact: Worldwide, 70 to 85 percent of folks on any given payroll are not engaged at work. The number one reason—*by far*—that people quit a company is because of their immediate boss. First-line leaders are Key #1 to employee productivity, retention, product-service quality, customer fandom, and culture maintenance—and, hence, Asset #1. Implication: The selection, training, mentoring, and heralding of first-line chiefs is a Top Strategic Priority. (Most organizations are “serious” about picking and developing first-line leaders, but a million miles—or more—from being serious enough.)

**HIRING REQUIREMENT #1:  
HIRE FIRST AND FOREMOST FOR  
EQ/SOFT SKILLS IN 100% OF JOBS.**

“We only hire nice people.”  
—Peter Miller, CEO, Optinose (biotech)

“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.”  
—Stewart Butterfield, co-founder/CEO Slack and founder of Flickr

“We look for listening, caring, smiling, saying ‘thank you,’ being warm.”  
—Colleen Barrett, former president, Southwest Airlines, on every job slot, including pilots and mechanics

“No assholes.”  
—Founder/CEO of world-prominent New Zealand-based movie special effects company

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“Project Oxygen shocked everyone. . . . The seven top characteristics of individual employee success at Google are all soft skills: being a good coach; communicating and listening well; having empathy toward and being supportive of one’s colleagues. . . .

“Project Aristotle further supports the importance of soft skills even in high-tech environments. . . . The best teams at Google exhibit a range of soft skills: equality, generosity, curiosity toward the ideas of your teammates, empathy and emotional intelligence.”

—Valerie Strauss, “The Surprising Thing Google Learned about Its Employees,”  
*Washington Post*

Top technical skills are great as needed, but to establish a productive, innovative, communal culture, Empathy/EQ is the top requirement. *And*: There are plenty of top-tech-skills people who also have top scores on empathy, nice, etc.

Empathy/EQ/“Nice” first: One-hundred percent of jobs.  
Q.E.D.

## **CORE VALUE #1: LISTENING EXCELLENCE. “AGGRESSIVE” LISTENING. “FIERCE” LISTENING.**

“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*

“It was painful for me to realize how often I just pretended to hear people, had barely glanced up from my work when a subordinate came into my office. . . . I vowed to treat every encounter with every person on the ship as the most important thing at that moment. I decided that my job was to listen aggressively.”

—Captain Mike Abrashoff, U.S. Navy, *It’s Your Ship*

“The key to every one of our eight key leadership attributes was the vital importance of a leader’s ability to listen.”

—Richard Branson (In Branson’s *Like a Virgin*, listening per se merits a full one-third of the book, well over the first one hundred pages.)

“The best way to persuade someone is with your ears.”

—Dean Rusk, former U.S. Secretary of State

“Never miss a good chance to shut up.”

—Will Rogers

The most underrated, undertrained skill in the leader’s canon is listening—not just listening, but intense (“fierce,” “aggressive”) listening. Note: Effective listening is purposeful, time-consuming, exhausting—and by and large trainable. (Do you have a formal listening course in your training portfolio? Do you explicitly hire for listening skills?) And per my argument here: CORE VALUE #1.

## **GLOBAL OBLIGATION #1: EXTREME SUSTAINABILITY PRACTICES. NOW.**

“Sustainability: it’s the right thing to do, it’s the smart thing to do, it’s the profitable thing to do.”

—Hunter Lovins, Rocky Mountain Institute

“Buy less, choose well, Make it last. Quality rather than quantity. That is true sustainability.”

—Vivienne Westwood

COVID-19 has our full attention at the moment—as it should. But environmental/climate change/world-destroying nightmares lie just around the corner—and for many, the corner has already been turned.

Business *is* the community. Businesses of every size and flavor must take the lead in pursuing extreme sustainability practices.

For a step-by-step guide, see *The Green to Gold Business Playbook: Sustainability Practices for Bottom-Line Results in Every Business Function* by Daniel Etsy and P. J. Simmons.

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it’s the smart thing to  
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—Hunter Lovins, Rocky Mountain Institute

**STATE OF MIND #1:  
ORGANIZATIONS ARE FIRST AND  
FOREMOST VIBRANT COMMUNITIES.  
ORGANIZATIONS ARE COMMUNITIES  
EMBEDDED IN COMMUNITIES.**

*Community* is a wondrous word. Think community and your perspective moves way beyond the spreadsheet—great work, yes, but great work from a cooperative venture devoted to every member’s flourishing. Moreover, organizations are communities embedded in communities toward which they have surpassing responsibilities.

In his superb book, *Small Giants: Companies That Choose to Be Great Instead of Big*, Bo Burlingham offers four pillars of small giant success, one of which is:

“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.’”

Bingo.

**VALUE-ADDED STRATEGY #1/  
DIFFERENTIATOR #1:  
DESIGN EXCELLENCE.  
EXTREME HUMANIZATION.**

“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 Ive, chief designer, Apple

“Steve and Jony spent hours discussing corners.”

—Laurene Powell Jobs

“No vehicle in recent memory has provoked more smiles.”

—Donald Norman, review of the MINI Cooper S, in *Emotional Design: Why We Love (or Hate) Everyday Things*



“As [Nest founder Tony] Fadell admitted, ‘Every business school in the world would flunk you if you came out with a business plan that said, ‘Oh, and we’re going to design and fabricate our own screws at an exponentially higher cost than it would cost to buy them.’” But these aren’t just screws. Like the thermometer itself, they’re better screws, epic screws, screws with, dare I say it, deeper meaning.”  
—Richard Karlgaard, *The Soft Edge*

“The peculiar grace of a Shaker chair is due to the fact that it was made by someone capable of believing that an angel might come and sit on it.”  
—Thomas Merton

Inspiring and deeply engaging design—Extreme Humanization is my term—is by and large beyond the foreseeable reach of AI. It applies to every organization and every corner of every organization—no exceptions. (And, to boot, it is a great professional and personal legacy!)

“Only one company can be the cheapest. All others must use design.”  
—Rodney Fitch

## **VALUE-ADDED TINY TACTIC #1: SMALL >> BIG. “TGRs”/THINGS GONE RIGHT.**

The wee touches are the ones which stick in our brains—*and stay there*:

“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.”  
—Vincent van Gogh

“We don’t remember the days, we remember the moments.”  
—Cesare Pavese, poet

“Great quotes” (above) that must be religiously turned into constant, moment-by-moment actions by 100% of employees. (Save your loudest applause for the “small efforts” to help others, to achieve improved customer experiences, etc., etc.)

***“The peculiar grace  
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due to the fact that it  
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—Thomas Merton

# **VALUE-ADDED SUCCESS CREDO #1: THE THREE RULES: BETTER BEFORE CHEAPER. REVENUE BEFORE COST. THERE ARE NO OTHER RULES.**

In the book *The Three Rules: How Exceptional Companies Think*, Deloitte consultants Michael Raynor and Mumtaz Ahmed report on the firm's assessment of the forty-five-year performance of 25,000 companies. They identified just twenty-seven sustained-excellence superstars—the source of “The Three Rules”:

- (1) Better before cheaper.
- (2) Revenue before cost.
- (3) There are no other rules.

(Remember: 27 winners from a pool of 25,000.)

## **BUSINESS DEVELOPMENT OPPORTUNITY #1: WOMEN BUY *EVERYTHING*. ACT ACCORDINGLY!**

“Women are *the* majority market.”  
—Fara Warner, *The Power of the Purse*

“Forget China, India, and the internet: economic growth is driven by women.”  
—*The Economist*

“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. For a number of observers, we have already entered the Age of ‘Womenomics,’ the economy as thought out and practiced by a woman.”  
—Aude Zieseniss de Thuin

Women are top purchasers by a wide margin in all product categories—consumer and commercial—and most businesses still don't get it at a strategic level.

***“Forget China,  
India, and the  
internet: economic  
growth is driven by  
women.”***

*—The Economist*

Among other things, men by and large can't design great products and services that appeal to women. Women should, in most instances, dominate product-design and marketing teams.

(I call it "the squint test": Look at a photo of the exec team. And squint. Does the composition of the team look like the shape of the market?)

## **MISSED MARKET OPPORTUNITY #1: OLDIES HAVE *ALL* THE MONEY AND PLENTY OF TIME LEFT TO SPEND IT. ACT ACCORDINGLY!**

"People at 50 have more than half their adult life ahead of them."  
—Bill Novelli

"'Age Power' will rule the 21st century, and we are woefully unprepared."  
—Ken Dychtwald

"The New Customer Majority, age 44–65, is the only adult market with realistic prospects for significant sales growth in dozens of product lines for thousands of companies."  
—David Wolfe

"Marketers attempts at reaching those over 50 have been miserably unsuccessful."  
—Peter Francese

"The financial numbers are absolutely inarguable—the Mature Market has the money. Yet advertisers remain astonishingly indifferent to them."  
—Martha Barletta

The fifty-plus population is enormous. Oldies account for over 50 percent of sales but only 10 percent of marketing budgets. There's no other way to put it: Marketers and product and service designers, with rare exceptions, are idiots relative to this EOO/Extreme Oldie Opportunity.

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***“The New Customer Majority, age 44–65, is the only adult market with realistic prospects for significant sales growth in dozens of product lines for thousands of companies.”***

—David Wolfe

**ECONOMIC CORNERSTONE #1:  
SMEs/SMALL AND MEDIUM-SIZE  
ENTERPRISES EMPLOY ALMOST ALL OF  
US, CREATE ALMOST ALL NEW JOBS, ARE  
THE SOURCE OF ALMOST ALL  
INNOVATION. (NURTURE THEM.)**

“Research shows that new, small companies create almost all the new private sector jobs—and are disproportionately innovative.”

—*The Future Is Small: Why AIM [Alternative Investment Market] Will Be the World’s Best Market Beyond the Credit Boom*, by Gervais Williams, superstar fund manager, reported in the *Financial Times*

Support the small- to midsize enterprise (SME) population in any way imaginable! SMEs create virtually all the new jobs, employ almost all of us, are the prime innovators—and every national economy’s backbone. On the flip side, monsters cut costs, toss people over the side, produce “me too” products, and almost unfailingly underperform the market.

Consider a couple of examples of SME magic:

\*W.A. Coppins, a tiny company in the tiny town of Motueka, New Zealand, is the undisputed world leader in commercial sea anchors.

\*Basement Systems Inc. of Seymour, CT, grew to \$100 million plus in revenue. The product: drying out moldy basements and turning them into playrooms or extra bedrooms.

\*Jungle Jim’s International Market in Fairfield, OH, is an extraordinary retail circus. It won the award that, were I a retailer, I would most cherish: “America’s Best Restroom.”

The de facto SME motto as reported in George Whalin’s uplifting *Retail Superstars: Inside the 25 Best Independent Stores in America*:

“Be the best. It’s the only market that’s not crowded.”

**INNOVATION STRATEGY #1:  
WTTMSW/WHOEVER TRIES THE MOST  
STUFF WINS. WTTMS(ASTMSUTF)W/  
WHOEVER TRIES THE MOST STUFF (AND  
SCREWS THE MOST STUFF UP THE  
FASTEST) WINS. WHOEVER HAS THE MOST  
WEIRDOS WINS. DIVERSITY TRUMPS  
ABILITY**

WTTMSW: “On s’engage et puis on voit!”\*  
—Napoleon (\*“One jumps into the fray, then figures out what to do next.”)

And the expanded version: WTTMS(ASTMSUTF)W/Whoever Tries The Most Stuff  
(And Screws The Most Stuff Up The Fastest) Wins.

This is innovation bedrock, innovation guaranteed! But . . . it requires a visibly supportive “Try it. Try anything. NOW.” culture. A culture of what MIT researcher Michael Schrage calls “serious play”: “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.”

And a concomitant to WTTMSW and Serious Play: the necessity (and celebration!) of fast failure:

“Fail faster. Succeed sooner.”  
—David Kelley, founder, IDEO

“Fail. Forward. Fast.”  
—High-tech CEO, Philadelphia

“Fail. Fail again. Fail better.”  
—Samuel Beckett

“Reward excellent failures. Punish mediocre successes.”  
—Australian exec/“The six words that underpinned my success”

WTTMSW’s companion: The Diversity Axiom. I call it “lower case ‘d’ diversity.” Not just gender, race and the Big Things. But variety of every flavor (tall-short, fat-thin. PhD from MIT-freshman drop-out from Podunk U.) in every group we touch—employees, boards, vendors, customers, the folks you go to real or virtual lunch with.



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“It is hardly possible to overrate the value of placing human beings in contact with persons dissimilar to themselves.”

—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, sales guru

“Diverse groups of problem solvers—groups of people with diverse backgrounds—consistently outperformed groups of the best and the brightest. If I formed two groups, one random (and therefore diverse) and one consisting of the best individual performers, the first group almost always did better. . . . DIVERSITY TRUMPED ABILITY.”

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

“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 industrial dogma? At the top.”

—Gary Hamel

Ubiquitous diversity 2020 is a strategic necessity, not a “nice to do.”

## **DAILY STRATEGIC ACTIVITY #1: MBWA/MANAGING BY WANDERING AROUND.**

MBWA

Daily.

Daily = EVERY DAY.

No excuses.

Ever.

And: If you don't *love* doing regular MBWA, choose another career path! (No kidding.) MBWA was the lodestar of *In Search of Excellence*. It stands for leaders who are intimately in touch with the work and the people who perform the work at every level and in every nook and cranny of the organization. MBWA is a state of mind—respectful, humane, connected, curious—not a physical phenomenon; it works for “WFH”/Work From Home as much as in physical spaces.

# **TIME MANAGEMENT MUST #1: SLOW DOWN. KEEP 50% OF YOUR TIME UNSCHEDULED.**

It's very simple—and counter to the conventional 2020 gospel, “speed wins.” All the important things take time (lots of):

- \*Building & maintaining relationships . . . takes (lots of) time.
- \*Building & maintaining a high-performance culture . . . takes time.
- \*Reading & studying . . . take time.
- \*Fierce & aggressive listening . . . takes (lots of!) time.
- \*MBWA/Managing By Wandering Around . . . takes time.
- \*Hiring & evaluating & promoting . . . take (lots of) time.
- \*Thoughtfulness & instinctive small gestures (small>big) . . . take time.
- \*Game changing design (spending “hours and hours discussing corners”) . . . takes time.
- \*Your next email . . . takes time.
- \*E-X-C-E-L-L-E-N-C-E . . . takes (lots and lots and lots of) time.

Slow Down: The “fifty percent commandment”:

“Every leader should routinely keep a substantial portion of his or her time—I would say as much as 50 percent—unscheduled.”

—Dov Frohman, Intel superstar

(Fifty percent. Wow.)

# **TIME INVESTMENT #1: BEST RELATIONSHIPS WIN!**

*“Personal relationships are the fertile soil from which all advancement, all success, all achievement in real life grow.” (emphasis added)*

—Ben Stein, investment guru

*“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.” (emphasis added)*

—Bill George, former CEO, Medtronic

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*“Allied commands depend on mutual confidence and this confidence is gained, above all through the development of friendships.”* (emphasis added)

—General Dwight D. Eisenhower (Secret #1 of Eisenhower’s WWII success at holding an alliance together)

The essence of “doing” is having supporters here, there, and everywhere—inside and outside your organization. Relationship investment must not be “catch as catch can.” It should be and orderly and planned—and measured—part of every day. Every = Every.

**HALLMARK #1:  
CULTURE MAINTENANCE COMES FIRST.  
MUST BE A ONE-MINUTE-AT-A-TIME  
OBSESSION.**

“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? Inside IBM’s Historic Turnaround*

“Culture eats strategy for breakfast.”

—Ed Schein

Culture rules:

Culture comes first.

Culture is exceedingly difficult to change.

Culture change cannot be and must not be evaded or avoided.

Culture maintenance is about as difficult as culture change.

Culture change and maintenance must become conscious, permanent, personal agenda items.

Culture change and maintenance manifest in “the little things” far more than in the big things.

Repeat/Culture Change/Maintenance: One day, one hour, one minute at a time.

Forever.

**POWER WORD #1:  
ACKNOWLEDGEMENT IS THE MOST  
POWERFUL WORD IN THE LANGUAGE.  
(“Thank you” and “I’m sorry” are the four most powerful words.)**

The basic principal at work:

“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

“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

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

—Mark Sanborn

Let us bow down to the acknowledger-in-chief. During his 10-year tenure as CEO of Campbell’s Soup, Doug Conant sent 30,000 handwritten “Thank you” notes—that translates into twelve per working day for a decade!

Yes, I sincerely believe that “acknowledgement” is unequivocally the most powerful tool in the leader’s Excellence Arsenal. Re-read Ken Langone above: “*most powerful things in existence.*”

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

—William James

## **PERSONAL HABIT #1: READ. READ. READ. READ. READ.**

Investor superstar/CEO Deficiency #1: “They don’t read enough.”

Read as though your life depended on it.  
It does!

“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.”

— Charlie Munger, Warren Buffett’s #2

Read.  
Read.  
Read.  
Read.

## **TOUGHEST TASK #1: SELF-MANAGEMENT IS THE TOP LEADER ATTRIBUTE. FACT: YOUR SELF- PERCEPTION STINKS**

Many top leadership gurus state in no uncertain terms that self-awareness is the Number One requirement for an effective leader. E.g.:

“Being aware of yourself and how you affect everyone around you is what distinguishes a superior leader.”

—Eddie Seashore

“To develop others, start with yourself.”

—Marshall Goldsmith

“Work on me first.”

—Kerry Paterson

Self-knowledge is not an easy acquisition. The research is clear and consistent: Leaders’ self-perceptions stink and are invariably *way* off the mark.



The last word:

“There are three things that are extremely hard: steel, a diamond, and to know one’s self.”  
—Ben Franklin

## **REFLECTION #1: “RESUME VIRTUES” VS. “EULOGY VIRTUES”. FOCUS ON THE EULOGY VIRTUES.**

In *The Road to Character*, New York Times columnist David Brooks writes,

“I’ve been thinking about the difference between the ‘resume virtues’ and the ‘eulogy virtues.’ The resume virtues are the ones you list on your resume, the skills that you bring to the job market and that contribute to external success. The eulogy virtues are deeper. They’re the virtues that get talked about at your funeral, the ones that exist at the core of your being—whether you are kind, brave, honest or faithful, what kind of relationships you formed.”

FYI: This clearly holds true as much for your business/professional life as for your personal life. In fact, you will spend far more hours at work than at home. So to a great degree, and like it or not, in terms of impact on others, Work = Life.

How do your eulogy virtues stack up?

## **STANDING ORDER #1: BE KIND**

“Be kind; everyone you meet is fighting a hard battle.”  
—Philo of Alexandria

“Three things in human life are important. The first is to be kind. The second is to be kind. And the third is to be kind.”  
—Henry James

Kindness is free. This Standing Order goes doubly or triply or more in times of crisis. “Be kind” is, simply, the right thing to do. And: There is *always* time to be kind.

(FYI/Bonus: “Be kind” also turns out to be a good business practice/ K = R = P/Kindness  
= Repeat business = Profit.)

*Good luck!*

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