Tom Peters'

EXCELLENCE!

"THE WORKS"
A Half-Century's Reflections/1966-2016

Chapter SIX:
PUTTING PEOPLE (REALLY) FIRST

01 January 2016

(10+ years of presentation slides at tompeters.com)

Contents/"The Works"/1966-2016/EXCELLENCE!

STATEMENT OF PURPOSE

This—circa January 2016—is my best shot. It took 50 years to write! (From 1966, Vietnam, U.S. Navy ensign, combat engineer/Navy Seabees—my 1st "management" job—to today, 2016.) It is … **"THE WORKS."** THE WORKS is presented in PowerPoint format—but it includes 50,000++ words of annotation, the equivalent of a 250-page book.

The times are nutty—and getting nuttier at an exponential pace. I have taken into account as best I can (there really are no "experts") the current context. But I have given equal attention to more or less eternal (i.e., human) verities that will continue to drive organizational performance and a quest for EXCELLENCE for the next several years—and perhaps beyond. (Maybe this bifurcation results from my odd adult life circumstances: 30 years in Silicon Valley, 20 years in Vermont.)

Enjoy.
Steal.
P-L-E-A-S-E try something, better yet several somethings.* ** *** **** *****

*Make no mistake … **THIS IS A 17-CHAPTER BOOK** … which happens to be in PowerPoint format; I invite you to join me in this unfinished—half century to date—journey.
**My "Life Mantra #1": WTTMSW/Whoever Tries The Most Stuff Wins.
***I am quite taken by N.N. Taleb's term "antifragile" (it's the title of his
 most recent book). The point is not "resilience" in the face of change;
that's reactive. Instead the idea is proactive—literally "getting off" on the madness per se; perhaps I somewhat anticipated this with my 1987 book, *Thriving on Chaos*.
****Re "new stuff," this presentation has benefited immensely from Social Media—e.g., I have learned a great deal from my 125K+ twitter followers; that is, some fraction of this material is "crowdsourced."
*****_I am not interested in providing a "good presentation." I am interested in spurring practical action. Otherwise, why waste your time—or mine?_

Note: There is considerable DUPLICATION in what follows. I do not imagine you will read this book straight through. Hence, to some extent, each chapter is a stand-alone story.

Epigraphs

"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." —Ross Perot

"Execution is strategy." —Fred Malek

"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 Rousseff

"Be the best. It's the only market that's not crowded." —George Whalin

First Principles. Guiding Stars. Minimums.

*EXECUTION! The "Last 99%."
GET IT (Whatever) DONE.
*EXCELLENCE. Always. PERIOD.
*People REALLY First! Moral Obligation #1.
*EXPONENTIAL Tech Tsunami.
GET OFF ON CONTINUOUS UPHEAVALS!
*Innovate or DIE!
WTTMSW/Whoever Tries The Most Stuff Wins!
*Women Buy (EVERYTHING)!
Women Are the Best Leaders! Women RULE!
*Oldies Have (All of) the Market Power!
*DESIGN Matters! EVERYWHERE!
*Maximize TGRs!/Things Gone RIGHT!
*SMEs, Age of/"Be the Best,
It's the Only Market That's Not Crowded"
*Moderation KILLS!

NEW WORLD ORDER ?!

0810/2011:
Apple > Exxon*

0724/2015:
Amazon > Walmart**

*Market capitalization; Apple became #1 in the world.
**Market capitalization; Walmart is a "Fortune 1" company—
the biggest in the world by sales.

Phew.

Contents/"The Works"/1966-2016/EXCELLENCE!

Chapter SIX

PUTTING PEOPLE

(REALLY!)

FIRST

"PEOPLE BEFORE STRATEGY"

—Lead article, *Harvard Business Review*. July-August 2015, by Ram Charan, Dominic Barton, and Dennis Carey

Wow!

A long road traveled.
I was involved in years of total intellectual
warfare at McKinsey on this topic.
That is, I fought the "strategy barons" day and
night, year in and year out.
And now the HBR features a cover article
co-written by McKinsey's Managing Director
(Barton) on the primacy of the once-ignored
"people stuff."
Time flies.

Or, rather, as I said: Wow!

6.1 **People:**
1/4,096

There are 4,096 slides in my 2012, 23-part MOAP/"Mother Of All Presentations," three years in the making. ONE slide, by definition, had to come first. This one, a quote from the inimitable Richard Branson, was

#1 /4096 ...

"Business has to give people enriching, rewarding lives ...

"Business has to give people enriching, rewarding lives ... or it's simply not worth doing."

—Richard Branson

Think about it.*
At length.

Please.

Please.

Please.

Please.

P-l-e-a-s-e.

*(*Be a literalist—think very precisely about what these exact words add up to. And what precisely they could [should!] mean to you and your colleagues.)*

NO: *"People first."*

YES: *"Business has to give people enriching, rewarding lives ... or it's simply not worth doing."**

*"People first" *is* terrific. But it is (a) vague and (b) doesn't go close to far enough. "Enriching and rewarding lives" is far more inclusive—and suggests far more than people as an "asset" from which growth and profits follow.

"People first" is about means to an end—enterprise success. But "enriching and rewarding lives" is also an end in and of itself. Of course, the good news is that the latter ("enriching and rewarding") is also the surest approach to mid- to long-term enterprise effectiveness and, yes, excellence.

Make sense?
(I hope and pray it does.)

"Human level capability has not turned out to be a special stopping point from an engineering perspective."

—Illah Reza Nourbakhsh, *Robot Futures/2013*

"SOFTWARE IS EATING THE WORLD."

—Marc Andreessen/2014

"The computers are in control. We just live in their world." —Danny Hillis, Thinking Machines/2011

"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*

All of this "people stuff" takes on much more urgency in the face of the tech change which is already mind-boggling … but is only in its adolescence.

I will say much more about this in the next Chapter of this presentation,

titled … **"Tech Tsunami: Software Is Eating the World++"**

"You have to treat your employees like customers." —Herb Kelleher,

upon being asked his "secret to success"

Kelleher was asked a thousand time for his/Southwest's "success secrets." His answer was invariant. And limited to the single sentence on the prior slide—not unlike Mr. Hilton's singular focus on that tucked in shower curtain.

(I know Herb pretty well. It ain't for show.)

EMPLOYEES FIRST, CUSTOMERS SECOND:
Turning Conventional Management Upside Down
Vineet Nayar/CEO/HCL Technologies

Speaks for itself, right?

"Who's on Second?"

"Nobody comes home after a surgery saying, 'Man, that was the best suturing I've ever seen!" or 'Sweet, they took out the correct kidney!' Instead, we talk about the people who took care of us, the ones who co-ordinated the whole procedure—everyone from the receptionist to the nurses to the surgeon. And we don't just tell stories around the dinner table. We share our experiences through conversations with friends and colleagues and via social media sites." —from the chapter "What Does Come First?" in the book *Patients Come Second: Leading Change By Changing the Way You Lead* by Paul Spiegelman & Britt Berrett

More. And very interesting take on the current age of "patient-centered care."

Wanna put patients first?
Put staff "first-er."

"We are a 'Life Success' Company."

Dave Liniger, founder, RE/MAX

"The organization would ultimately win not because it gave agents more money, but because it gave them a chance for better lives." —**Phil Harkins & Keith Hollihan,** *Everybody Wins* **(the story of RE/MAX)**

The RE/MAX version.

"hostmanship"/ "consideration renovation"

Leaders as "**hosts**."
Interesting, eh ...

"*The path to a* **hostmanship** *culture paradoxically does not go through the guest. In fact it wouldn't be totally wrong to say that the guest has nothing to do with it.* True hostmanship leaders focus on their employees. What drives exceptionalism is finding the right people and getting them to love their work and see it as a passion. … The guest comes into the picture only when you are ready to ask, '*Would you prefer to stay at a hotel where the staff love their work or where management has made customers its highest priority?*'" *"We went through the hotel and made a … 'consideration renovation.' Instead of redoing bathrooms, dining rooms, and guest rooms, we gave employees new uniforms, bought flowers and fruit, and changed colors. Our focus was totally on the staff. They were the ones we wanted to make happy. We wanted them to wake up every morning excited about a new day at work.*" —Jan Gunnarsson and Olle Blohm, *Hostmanship: The Art of Making People Feel Welcome*.

" ... The guest comes into the picture only when you are ready to ask, '*Would you prefer to stay at a hotel where the staff love their work or where management has made customers its highest priority?*'"

Don't skip over this, or just give it a nod.
Re-read it.
Ponder it.
Discuss.

P-L-E-A-S-E.

(Take your time.)

NO: "Clever"
NO: "Memorable"
YES: "Practical"
YES: "Actionable."

My gravest **fear** is your labeling slides like the one on "hostmanship" as "clever."

My greatest **hope** is that you will ponder it, talk about it with colleagues, and in a few cases figure out action steps to make it real.

Rocket Science. <u>NOT</u>.

"If you want staff to give great service, give great service to staff."

—Ari Weinzweig, Zingerman's

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

As "they" say …
NOT ROCKET SCIENCE.

EXCELLENT customer experience depends ... *entirely* ... on EXCELLENT employee experience!

If you want to WOW your customers, **FIRST** you must WOW those who WOW the customers!

"G-E-N-I-U-S"

I'm getting more and more cantankerous (short tempered!)

about this: Job #1 (& #2 & #3)
is to abet peoples' personal growth. All other good things flow there from.

My idea of a gen-u-ine "genius"

"breakthrough" idea: *If you work your heart out to help people grow, they'll work their hearts out to give customers a great experience.*

I repeat. This is **NOT**

rocket science.

(So why have I had to log 5,000,000 air miles saying something that ought to be obvious as the end of one's nose? Too many MBAs running loose? Sorry, low blow on my part. Fact is, I don't know where the disconnect is.)

Same. same.

I will *not* "move on."

Some say to me, *"You've been saying the same thing for three decades. Even using some of the same slides for years—like the Kelleher quote. Why not move on?"*

No.
No.
No.

I and my like-minded colleagues have made some progress. But not enough by far. I will not move on until these notions are far far more ingrained than they are today.

PERIOD.

"Contrary to conventional corporate thinking, treating retail workers much better may make everyone (including their employers) much richer."

Source: *The Good Jobs Strategy*, **by M.I.T. professor Zeynep Ton.**

The Good Jobs Strategy: How the Smartest Companies Invest in Employees to Lower Costs & Boost Profits —Zeynep Ton, MIT Sloan School

Notes: Cases all retail, include Costco and Trader Joe's.

E.g., Costco: Average hourly pay **$20.89**—40% greater than #1 competitor, Sam's Club.

Read this.

(I call it "The Big Duh."
Should be sooooo obvious.)

1996-2014/Twelve companies have been among the "100 best to work for" in the USA every year, for all 16 years of the list's existence; along the way, they've added/

341,567 new jobs, or job growth of +172%:

Publix

Whole Foods

Wegmans

Nordstrom

Cisco Systems

Marriott

REI

Goldman Sachs

Four Seasons

SAS Institute

W.L. Gore

TDIndustries

Source: *Fortune*/ "The 100 Best Companies to Work For"/0315.15

Note: Fully **7/12ths** of the best of the 100 best companies to work for in the USA are in so-called "low wage" components of the service industry. (So don't tell me, as many have, "You can only do this sort of thing at the likes of Google." **Rubbish!**)

100 Best Companies to Work for, 1984-2009: Plus 3.5% per annum risk adjusted returns

Staggering.
(Do the math.)

"*In a world where customers wake up every morning asking, 'What's new, what's different, what's amazing?'* ***success depends on a company's ability to unleash initiative, imagination and passion of employees at all levels*** *—and this can only happen if all those folks are connected heart and soul to their work [their 'calling'], their company and their mission.*" —John Mackey and Raj Sisoda, *Conscious Capitalism: Liberating the Heroic Spirit of Business*

Boss of one of the superstar firms just mentioned.

"I didn't have a 'mission statement' at Burger King. I had a dream. Very simple. It was something like, 'Burger King is 250,000 people, every one of whom gives a shit.' Every one. Accounting. Systems. Not just the drive through. Everyone is 'in the brand.' That's what we're talking about, nothing less."

— Barry Gibbons, former CEO, Burger King

To the point.
No frills.
Amen.

(FYI: Barry Gibbons, as CEO, brought BK back from the brink some 25 years ago.)

"The greatest satisfaction for management has come not from the financial growth of Camellia itself, but rather from having participated in the vast improvement in the living and working conditions of its employees, resulting from the investment of many tens of millions of pounds into the tea gardens' infrastructure of roads, factories, hospitals, employees' housing and amenities. … Within the Camellia Group there is a strong aesthetic dimension, an intention that it should comprise companies and assets of the highest quality, operating from inspiring offices and manufacturing in state of the art facilities. … Above all, there is a deep concern for the welfare of each employee. This arises not only from a sense of humanity, but also from the conviction that the loyalty of a secure and enthusiastic employee will in the long-term prove to be an invaluable company asset." —**Camellia: A Very Different Company**

($600M enterprise/$160M pretax profit/#3 tea producer/etc.)

You can "do it" (people **REALLY** first) with **_tea estates_**, for heaven's sake—and reap extraordinary profitability.

(FYI: *Camellia: A Very Different Company* is an uplifting book of the first order.)

THE DREAM MANAGER

— by Matthew Kelly

"AN ORGANIZATION CAN ONLY BECOME THE-BEST-VERSION-OF-ITSELF TO THE EXTENT THAT THE PEOPLE WHO DRIVE THAT ORGANIZATION ARE STRIVING TO BECOME BETTER-VERSIONS-OF-THEMSELVES." "A company's purpose is to become the-best-version-of-itself. The question is: What is an employee's purpose? Most would say, 'to help the company achieve its purpose'—BUT THEY WOULD BE WRONG. That is certainly part of the employee's role, but an employee's primary purpose is to become the-best-version-of-himself or –herself. … When a company forgets that it exists to serve customers, it quickly goes out of business. OUR EMPLOYEES ARE OUR FIRST CUSTOMERS, AND OUR MOST IMPORTANT CUSTOMERS."

EVERY employee has a dream … related to their current job or not.

Focusing on helping employees attain those dreams (*WHICH MAY NOT BE JOB RELATED—A BIG DEAL*) is simply the best way to create an environment where employees strive to improve themselves more or less each and every day—and in the process almost invariably serve each other, and the Client, with verve.

(Admission: At first glance I thought "how silly." At 3rd through 10th glance I thought … "pure genius.") (*The Dream Manager*, presented in parable form, is based on a wildly successful industrial cleaning services company. I was fortunate to meet the publicity-shy CEO. To use the vernacular, she's the "real deal.")

Brand = Talent.

It's obvious for football, symphony, university faculties.

Why not business?

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

Profit ROCKS.

Profit is: DERIVATIVE.
Talent is the driver.

(I normally run from mission statements. This one, from the giant marketing services firm, WPP, is about the only exception to that rule.)

6.2/ Book It!

Profit Through Putting People First Business Book Club

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 Built a Business Where Everyone Thrives, by Kip Tindell, CEO Container Store

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 Zeynep Ton, MIT

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

Employees First, Customers Second: Turning Conventional Management Upside Down, by Vineet Nayar, CEO, HCL Technologies

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

The Customer Comes Second: Put Your People First and Watch 'Em Kick Butt, by Hal Rosenbluth, former CEO, Rosenbluth International

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, former commander, SSN Santa Fe

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

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

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

The Dream Manager, by Matthew Kelly

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

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

Putting people really first. I rail about it non-stop and show you quotes from the likes of Richard Branson and John Mackey.

In fact, there is a real and extensive literature around this point—a passel of books that give you the 300-page story of putting and keeping people REALLY first, and the payoffs associated therewith.

Some exec teams, busy as they are, have created book clubs to enhance their growth. I suggest a full-blown "Profit Through Putting People First Business Book Club." Pick a handful of books off this list—and meet once a month to talk about one of them.

6.3
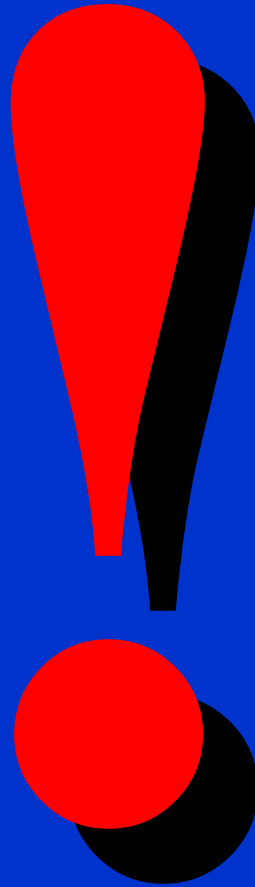
"**What employees experience, Customers will. The best marketing is happy, engaged employees.** *YOUR CUSTOMERS WILL NEVER BE ANY HAPPIER THAN YOUR EMPLOYEES.*" **—John DiJulius,**

The Customer Service Revolution: Overthrow Conventional Business, Inspire Employees, and Change the World

Every now and then I come across a "perfect sentence" that describes a seminal point with total—and economical—clarity. This was one of those, that I came across early in 2015.

Perfect!
Perfectly said!
(De facto "all you need to know—or damn close to it.)

(John DiJulius is a wildly successful entrepreneur who created a top ranked chain of spa-salons. He now spends most of his time on customer-service training—with clients such as Starbucks and Nordstrom.)

David Spellman: *"Customers will only love a company that loves its employees."*

BCMac: *"My corollary is, 'How we treat one another is ultimately how we treat the clients.'"*

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

Ditto.
(From a twitter conversation I initiated on this.)

6.4 The 7-Step Method

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.)

7 Steps to Sustaining Success: And it starts with …

<u>You</u> take care of the people.

Q.E.D.

6.5 "LEADERS 'DO' PEOPLE."

"Tom, you left out one thing ..."

I gave a speech in Dublin which included a list of 50 leadership traits. After the speech, the head of a major marketing services company and I were chatting over, yes, a Guinness. He said my list had been "terrific"—uh, except I left out the most important item.

"Which was … ," I intoned.

"Tom, you left out one thing ... _Leaders enjoy leading!_"

This odd point is in fact profound. If you don't "get off" on the messy "people stuff" and politics and uncertainty and ambiguity … well, you might have chosen the wrong job—leading, that is.

"LEADERS **'DO'** PEOPLE. PERIOD."

—Anon.

And then I came across this.
Superb!

Yup.
Some "get off" on the "people stuff."

And some ... **DON'T**.

By definition, the manager cannot do all the work herself. Hence, effectively, the manager's sole task **(in pursuit of organizational goals)** *is to make others* **(and collectively)** *—ONE AT A TIME —successful.*

Fact.
Q.E.D.

"Jim [Riggleman] *is a great handler of a game. But you can get seven fans that can 'handle a game.'* <u>*It's what happens after you come down the dugout steps after a game that really matters*</u>*. That's when you find out who's a big league manager. That's when Jim goes in his office. He thinks his day is over."*

—Quote in *Washington Post* by Washington Nationals source
upon precipitous resignation by manager Jim Riggleman

Some miss the boat.
Or the whole damn harbor.
This is an interesting way of putting it.

REMEMBER: You *CHOSE* to be a boss/leader. *(You were not forced.)* Hence you *CHOSE* to devote *100%* of the rest of your professional career to ... *DEVELOPING PEOPLE.*

Fact.

Q.E.D.

"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"*

Repeat: Leaders "do" people.

"*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

Repeat: Leaders "do" people.
It holds in ... Hollywood.

And it holds ... **EQUALLY***

... at the car dealer's.

(*Damn it**!**)

6.6 Training = Investment

#1!

#1 = #1*

*Damn it!

6/2/3*

*It takes Jerry Seinfeld **SIX MONTHS** to develop **TWO** or **THREE MINUTES** of new material (Source/documentary: *Comedian*)

He's the quintessential "old pro." No matter. He still … *trains and trains and trains—and trains some more.* (Most of the "training gigs" are performed in small, out-of-the-way places.)

Practice!
Training!
Growth!

It ain't a walk in the park—and it applies to each and every one of us. That goes 10 X

(**100X**?) in 2016.

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

Hall of fame football/NFL coach Bill Walsh on preparation: **"The score takes care of itself."** (This was also the title of Walsh's last book.)

Two pretty damn good "trainers." The outcome of the game per se is (more or less) simply a byproduct of peerless training. Does this translate to business? What a silly* (*I wish) question, eh?

2X

Recession comes. Most retailers cut back on training to save money. CONTAINER STORE ...

DOUBLES ... training for

in-store customer-contact employees.

Perfect time for best effort++ with any customers who still come our way, they say. And the only plausible path is to double down on helping our closest-to-the-customer people grow.

(FYI: A few years ago Container Store was ranked as the #1 company to work for in the $18 trillion USA economy.)

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

FACT.

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?

Is your **CTO**/Chief Training Officer (Do you even have a CTO?) your top paid "C-level" job (other than CEO/COO)?

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

Most firms don't even have a "CTO."
For shame.

Is your CTO/Chief Training Officer your top paid "C-level" job (other than CEO/COO)?
If not, why not?
Are your top trainers paid as much as your top marketers and engineers?
If not, why not?

Are your training courses so good they make you giggle and tingle?

If not, why not?

Randomly stop an employee in the hall: Can she/he meticulously describe her/his development plan for the next 12 months?
If not, why not?
Why is your world of business any different than the (competitive) world of rugby, football, opera, theater, the military?
If "people/talent first" and hyper-intense continuous training are laughably obviously for them, why not you?

Training often doesn't get the attention it ought to get because the training course portfolio is far from scintillating. *(It's called a vicious circle: Low funding. Lousy courses. Poor evaluations. Even less funding.)*

I believe the aim must be …

UNADULTERATED EXCELLENCE & WOW IN _EVERY_ TRAINING OFFERING.

(Damn it.)

(I repeat: Damn it!)

Someone at a seminar challenged me on this. Said it was unrealistic and, by the way, what does "tingle" mean. I pointed to my sophomore year in college. For us engineers, including civil engineers like me, an introductory chemistry course was required. Most of us looked forward to it as the equivalent of a 4-month long root canal. We had two well known professors, Michell Sienko and Robert Plane. They were scholars of the first order and simultaneously entertainers of the first order. Bottom line: By the end of the course, probably half of us (among hundreds) wanted to be chemistry majors. Ten years later the same sort of lightning struck courtesy an econ prof, Keith Lumsden, at the Stanford business school.

That is, there are great teachers and great courses—and I do not understand why the corporate world can't develop or recruit the Sienkos and Planes and Lumsdens. Billions/even trillion$$$ are at stake—and great "profs" concocting great courses could do wonders to, say, recruitment and retention and productivity. As to "tingle," I'm looking for something beyond "very good"; I'd accept "earthshaking" or "mind-blowing" or, for sure …

"supercalifragilisticexpialidocious."

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If not, why not?
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Are your training courses so good they make you giggle and tingle?
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Randomly stop an employee in the hall: <u>Can she/he meticulously describe her/his development plan for the next 12 months</u>?
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Why is your world of business any different than the (competitive) world of rugby, football, opera, theater,
the military?
If "people/talent first" and hyper-intense continuous training are laughably obviously for them, why not you?

And if the answer is "No" … *her or his boss should be sternly reprimanded ASAP.* (I would say "fired"—but you might accuse me of over-the-top-ism. Heaven forbid.)

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 boss is the big winner.
(A winner at work—*and* a winner in life
as a useful human being.)

"The key difference between checkers and chess is that in checkers the pieces all move the same way, whereas in chess all the pieces move differently. ... *Discover what is unique about each person and capitalize on it.*"

—Marcus Buckingham, *The One Thing You Need to Know*

"*No matter what the situation,* [the great manager's] *first response is always to think about the individual concerned and how things can be arranged to help that individual experience success.*" —Marcus Buckingham, *The One Thing You Need to Know*

No generics! Each one of your (boss's) folks must be treated as an individual with support tailored accordingly.

(I hate to analogize business to parenting; it's not the same. However, you would never take the same approach with your kids. Each one is **VERY** different than the other/s.)

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

Leadership opportunities abound—for all of us, all the time. (See Betsy Myers' wonderful *Take the Lead: Motivate, Inspire, and Bring Out the Best in Yourself and Everyone Around You.)* **The idea per Mr. Nader is to get everyone focused on growth and thinking and acting like a leader. Development accelerates —and the customer is the ultimate beneficiary of a skilled staff that seizes the moment without muss, fuss, or order shouting.**

Leaders all!
(Of course!)

DDOs/Deliberately Developmental Organizations

"These companies operate on the foundational assumptions that adults can grow, that not only is attention to the bottom line and the personal growth of all employees desirable, but the two are interdependent. Both profitability and individual development rely on structures that are built into every aspect of how the company operates. ... Decurion and Bridgewater [cases] offer a form of proof that the quest for business excellence and the search for personal realization need not be mutually exclusive—and can, in fact, be essential to each other."

E.g., At Bridgewater Associates, every employee (new hire to CEO) has a *"crew"* that "supports his or her growth, both professionally and personally."

Source: "Making Business Personal," Robert Kegan, et al., *HBR*/04.14

Amen.
Wow.

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.**

My odds are not speculative. I've tested this. (Alas.)

(If you had any clue as to just how much this pisses me off ...)

What is the #1 reason to go berserk over training?

What is the best reason to go bananas over training?

GREED.

(It pays off.)

(Also: Training should be an official part of the R&D budget and a capital expense.)

Training #1: Bottom Line

NOBODY gets off the hook! "Training & Development Maniac" applies as much to the leader of the **4-person business** as to the chief of the 44,444-person business.

The 4-person firm chief says, "Hey I can barely make ends meet. Training? Get serious."

Wrong.
Wrong.
Wrong.

In the 4-person outfit each employee counts **1,000X** more than in the giant firm. The payoff from superb training can be no less than staggering.

"*The topic is probably the oldest and biggest debate in Customer service.* **What is more important: How well you hire, or the training and culture you bring your employees into? While both are**

75

very important, **75** **percent is the Customer service training and the service culture of your company**. *Do you really think that Disney has found 50,000 amazing service-minded people? There probably aren't 50,000 people on earth who were born to serve. Companies like Ritz-Carlton and Disney find good people and put them in such a strong service and training environment that doesn't allow for accept anything less than excellence.*" —John DiJulius, *The Customer Service Revolution: Overthrow Conventional Business, Inspire Employees, and Change the World*

As John DiJulius says, this is a controversial point. But I would tend to lean (hard) in his direction in many if not most situations. Google? Maybe not. But Google is 5 standard deviations away from the norm—at least.

Hence, for most of us nothing is more important than training (and culture).

"training, TRAINING and M-O-R-E T-R-A-I-N-I-N-G"

—CINCPAC/Commander-In-Chief Pacific Chester Nimitz
to CNO/Chief of Naval Operations Ernest King/1943
(punctuation Nimitz's, NOT mine); when Pearl Harbor occurred,
U.S. Navy preparation was found wanting—*the crews'
training, Nimitz firmly believed, was more important
than the number of available war ships.*

I am more or less ...

purple with rage

... at the generic disregard of training in the private sector.

6.7.1 Hiring

"Development can help great people be even better— but if I had a dollar to spend, I'd spend 70 cents getting the right person in the door." —Paul Russell, Director, Leadership and Development, Google

"In short, hiring is *the most important aspect of business* and yet remains *woefully misunderstood*."

Source: *Wall Street Journal*, 10.29.08, review of *Who: The A Method for Hiring,* Geoff Smart and Randy Street

So do you consider yourself a full-bore …
PROFESSIONAL …
when it comes to hiring?
(Take care in answering, please.)

(If you buy something like the "70%," what could be more important?????)

"The topic is probably the oldest and biggest debate in Customer service. What is more important: How well you hire, or the training and culture you bring your employees into? While both are very important, 75 percent is the Customer service training and the service culture of your company. Do you really think that Disney has found 50,000 amazing service-minded people? There probably aren't 50,000 people on earth who were born to serve. Companies like Ritz-Carlton and Disney find good people and put them in such a strong service and training environment that doesn't allow for accept anything less than excellence."
—John DiJulius, *The Customer Service Revolution: Overthrow Conventional Business, Inspire Employees, and Change the World*

Remember/ponder: An alternate view.

So I asked a _Starbucks regional manager_ why her front line folks always seemed to have a smile— in Saudi Arabia as much as in Boston.

And she said ...

"It's simple, really, Tom. Hire for ☺s, and, <u>above all</u>, <u>promote</u> for ☺s."

—**Starbucks regional manager,
on why so many smiles at Starbucks shops**

"Oh, uh, sure …"
(Sorry for being such a dunderhead.)

"We look for ... listening, caring, smiling, saying 'Thank you,' being warm."

— Colleen Barrett, former President, Southwest Airlines

Same same Southwest Airlines!
(Gawd, is this ever important!)
(Gawd, is this unusual!)

P-L-E-A-S-E take this to heart ... **NOT** in general, but as to the ... SPECIFICS. *(These words per se—as written on the prior slide—are the crux of the matter.)*

Put it (e.g., the likes of "smiles in a way that lights up a room")

in the **FORMAL** hiring criteria list. **DAMN IT!**

Could you please please please consider plain English?

Example:

Not "engages the interviewer in a positive fashion."

Instead: "**SMILES A LOT.**"

"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)

Nice guys **do not** finish last. (And "nice" is the #1 lubricant for an effective-cooperative corporate culture.)

(Also: Source is a pharmaceutical company, not Disneyworld.)

"When we talk about the qualities we want in people, <u>empathy</u> 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

Nice on steroids: Empathetic!

Observed closely during Mayo Clinic employment interviews (for renown surgeons as well as others): The frequency of use of "**I**" or "**We**."

More on plain English? Not "exhibits traits associated with good teamwork."

Instead: "Uses 'We' more than 'I'."

(FYI: Love this!)
(FYI 2: The Mayo Clinic book, as suggested earlier, is ... SUPERB.)

**"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 & John Bacon), **"Recruit for Character,"** *Bo's Lasting Lessons*

Character/"better people": Again, be explicit.; use plain English.

"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, *Execution*

Focused on implementation.
("This [sort of] stuff" is actually easy to
observe—presence or absence—if you're on
the lookout.)

Vanity Fair: "What is your most marked characteristic?"

Mike Bloomberg:

"Curiosity."

Hire for curiosity.
EXPLICITLY.
E-X-P-L-I-C-I-T-L-Y.

LISTENING
CARING
SMILING
SAYING 'THANK YOU'
BEING WARM
NICE
EMPATHETIC
"WE" (not "I")
CHARACTER ("better people")
CURIOUS
IMPLEMENTATION (not strategy)

Pretty good list of traits, eh?

Again: Key words are **"Plain English"** (use these words, "kind," "we," etc.)

Andrew Carnegie's Tombstone Inscription …

Here lies a man
Who knew how to enlist
In his service
Better men than himself.

Source: Peter Drucker, *The Practice of Management*

Such a **VERY** big deal.

And oh-so-rare.

(Alas.)

Hiring: What About the Liberal Arts Majors?

"MANAGEMENT AS A TRULY LIBERAL ART"

—Peter Drucker

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."* **(18 January 1999)**

Hard is Soft. Soft is hard.
Management, according to the master/Peter

Drucker, is a ... **LIBERAL**

ART.* **

(*P-l-e-a-s-e convey that to the business schools—
fat chance getting an iota of reaction.)
(**The consequences of this are enormous. The
impact on people practices, for one giant thing,
are mind boggling—starting, obviously with
hiring.)

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."

"That 'Useless' Liberal Arts Degree Has Become Tech's Hottest Ticket."

Source: title, *Forbes* cover story (17 August 2015)

"Software companies are discovering that liberal arts thinking makes them stronger. People without a tech degree may already may be benefiting the most from tech's boom."

—*Forbes* cover story, "That 'Useless' Liberal Arts Degree Has Become Tech's Hottest Ticket." (17 August 2015)

"One of the most glistening of tech's ten-digit "unicorn" startups, boasting 1.1 million users and a private market valuation of $2.8 billion. If you've used Slack's team-based messaging software, you know that one of its catchiest innovations is Slackbot, a helpful little avatar that pops up periodically to provide tips so jaunty that it seems human. Such creativity can't be programmed. *Instead, much of it is minted by one of Slack's 180 employees, Anna Pickard , the 38-year-old editorial director. She earned a theater degree from Britain's Manchester Metropolitan University before discovering that she hated the constant snubs of auditions that didn't work out.* After winning acclaim for her blogging, videogame writing and cat impersonations, she found her way into tech, where she cooks up zany replies to users who type in 'I love you, Slackbot.' It's her mission, Pickard explains, 'to provide users with extra bits of surprise and delight.' The pay is good; the stock options, even better." —*Forbes* cover story, "That 'Useless' Liberal Arts Degree Has Become Tech's Hottest Ticket." (17 August 2015)

Cracks in tech's "Engineering Uber Alles" edifice.

"As technology takes over more of the facts-based, rules-based, left-brain skills—knowledge worker skills—employees who excel at human relations are emerging as the new 'it' men and women. More employers are recognizing they need workers who are good at team building, collaboration, and cultural sensitivity. According to research from Oxford Economics. Other research shows that the most effective teams are not those whose members boast the highest IQs, but rather those whose members are most sensitive to the thoughts and feelings of others. MIT data science professor Sandy Pentland [Human Dynamics Lab] says, 'It's not simply the brightest who have the best ideas; it is those who are best at harvesting them from others. It's not only the most determined who drive change; it is those who most fully engage with like-minded people.. And it is not wealth and prestige that best motivates people; it is respect and help from peers.'"

Hmmm.
Interesting perspective.
Hardly mainstream.
Perhaps accurate.

6.7.3/ The "Portable Superstar" Myth

"*Reliance on stars is a highly speculative practice, since we really don't know very much about what drives outstanding individual performance*. …

Chapter 3 presents our most central and global finding about the effects of changing employers on star analysts' performance. In short, exceptional performance is far less portable than is widely believed. Global stars experienced an immediate degradation in performance. Even after five years at a new firm, star analysts who changed employers underperformed comparable star analysts who stayed put."

—Boris Groysberg, professor of business administration, Harvard, *Chasing Stars: The Myth of Talent and the Portability of Performance*

Hiring "stars" is not the answer to all your performance needs!

Context/culture matters.

"The topic is probably the oldest and biggest debate in Customer service. *What is more important: How well you hire, or the training and culture you bring your employees into? While both are very important,* **75** *percent is the Customer service training and the service culture of your company.* Do you really think that Disney has found 50,000 amazing service-minded people? There probably aren't 50,000 people on earth who were born to serve. Companies like Ritz-Carlton and Disney find good people and put them in such a strong service and training environment that doesn't allow for accept anything less than excellence." —John DiJulius, *The Customer Service Revolution: Overthrow Conventional Business, Inspire Employees, and Change the World*

Remember:

75%.

6.8 Quiet

"We live with a value system that I call the Extrovert Ideal—the omnipresent belief that the ideal self is gregarious, alpha, and comfortable in the spotlight. The archetypal extrovert prefers action to contemplation, risk-taking to heed-taking, certainty to doubt. … We think that we value individuality, but all too often we admire one type of individual … Introversion is now a second-class personality trait. … *The Extrovert Ideal has been documented in many studies. Talkative people, for example, are rated as smarter, better looking, more interesting, and more desirable as friends. Velocity of speech counts as well as volume: We rank fast talkers as more competent and likeable than slow ones. But we make a grave mistake to embrace the Extrovert Ideal so unthinkingly.* … As the science journalist Winifred Gallagher writes, 'The glory of the disposition that stops to consider stimuli rather than rushing to engage with them is its long association with intellectual and artistic achievement. Neither E = mc squared or Paradise Lost was dashed off by a party animal.' Even in less obviously introverted occupations, like finance, politics, and activism, some of the greatest leaps forward were made by introverts … figures like Eleanor Roosevelt, Warren Buffett and Gandhi achieved what they did not in spite of but because of their introversion."

—Susan Cain, *Quiet: The Power of Introverts in a World That Can't Stop Talking*

Susan Cain's *Quiet: The Power of Introverts in a World That Can't Stop Talking* made a profound impact on me. We tend to favor the "noisy ones"—and thence downplay the power of the 50% amongst us who are "the quiet ones."

I.e., we blow off (or, at least, undervalue) almost **50%** 0f the talent pool.

Talk about a "missed opportunity"!

"**Among the most effective leaders I have encountered and worked with in half a century, some have locked themselves into their offices and others were ultra-gregarious. Some were quick and impulsive, some studied the situation and took forever to come to a decision. _The one and only personality trait the effective ones did have in common was something they did not have: They had little or no 'charisma,' and little use for the term._**"—Peter Drucker, in Susan Cain, *Quiet: The Power of Introverts in a World That Can't Stop Talking*

Wow.

(VERY) strong language.

From a rather reliable source.

"[Adam Grant] *predicted extroverts would be better telemarketers, but it turned out there was zero correlation extroversion levels and cold-calling prowess. 'The extroverts would make these wonderful calls, but they'd often be distracted and lose focus. The introverts would talk quietly, but boom, boom, boom they were making the calls; they were focused and determined.'"* —Susan Cain,
Quiet: The Power of Introverts in a World That Can't Stop Talking

Introverts.
Thoughtful.

"If you are a manager, remember that one third to one half of your workforce is probably introverted, whether they appear that way or not. Think twice about how you design your organization's office space. Don't expect introverts to get jazzed up about open office plans or, for that matter, lunchtime birthday parties or teambuilding retreats. Make the most of introverts' strengths— *these are the people who can help you think deeply, strategize, solve complex problems, and spot canaries in your coal mine*.

"Also remember the dangers of the new groupthink. If it's creativity you're after, ask your employees to solve problems alone before sharing their ideas ... Don't mistake assertiveness or elegance for good ideas. If you have a proactive workforce (and I hope you do), remember that they may perform better under an introverted leader than under an extroverted or charismatic one." —Susan Cain, *Quiet: The Power of Introverts in a World That Can't Stop Talking*

Introverts.
Thoughtful.

Conversational pairings/experiment: *"The introverts and extraverts participated about equally, giving the lie to the idea that introverts talk less. <u>But the introvert pairs tended to focus on one or two serious subjects of conversation</u>, while the extrovert pairs lighter-hearted and wider-ranging topics."*—Susan Cain, *Quiet: The Power of Introverts in a World That Can't Stop Talking*

**Introverts.
Thoughtful.**

"In a gentle way, you can shake the world."

—**Gandhi** (from Susan Cain,

Quiet: The Power of Introverts in a World That Can't Stop Talking)

Introverts.
Thoughtful.

"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*

Introverts.
Thoughtful.

"*Open-plan workers are more likely to suffer from high blood pressure and elevated stress levels and get the flu; they argue more with their colleagues. … Introverts seem to know these things intuitively and resist being herded together. …*"

Video game design company Backbone Entertainment's creative director: "*We switched over to cubicles* [from a 'warehouse' format] *and were worried about it. You'd think in a creative environment people would hate that. But it turns out they prefer having nooks and crannies they can hide away in and be away from everybody.*"

"*The results were unambiguous. The men in 23 of the 24 groups produced more ideas when they worked on their own than when they worked as a group. They also produced ideas of equal or higher quality when working individually. And the advertising executives were no better at group work than than the presumably introverted research scientists.*" —Susan Cain,

Quiet: The Power of Introverts in a World That Can't Stop Talking

Open offices" take a hit.

Hooray!

(They'd kill me.)

"*Most inventors and engineers I have met are like me—they're shy and they live in their heads. ... They work best when they are alone , and can control an invention's design. ... I'm going to give you some advice that might be hard to take:*

WORK ALONE. *You're going to be best able to design revolutionary products and features. ...*"

—from **Steve Wozniak**, in Susan Cain, *Quiet: The Power of Introverts in a World That Can't Stop Talking*

Woz!

Quiet.
Thoughtful.
M.I.A.
(So??)

6.9 Promotion

2/Year = Legacy

Your legacy is achieved and maintained to a great extent by your promotion decisions—about two per year on average. In a five-year stint, that's

10 decisions that make or break you—that define 5 years of your life.

DO YOU (invest in the promotion decision-making

process) **ACT ACCORDINGLY?**
(No glib answer, please.)
(I *know* you're "serious" about this. BUT

... are you serious enough**?**)

Promotion Decisions

"life and death decisions"

Source: Peter Drucker, *The Practice of Management*

A promotion decision is akin to an acquisition decision. *The same degree of care therewith should be exercised.*

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

—Peter Drucker, *The Practice of Management*

One more that Drucker got right. Profoundly important—way beyond the promotion issue.

6.10 Evaluation (53 = 53)

EVALUATING

PEOPLE = #1

DIFFERENTIATOR

Source: Jack Welch, now Jeff Immelt, on GE's top strategic skill (!!!!)

"In most companies, the Talent Review Process is a farce. At GE, Jack Welch and his two top HR people visit each division for a day. They review the top 20 to 50 people by name. They talk about Talent Pool strengthening issues. The Talent Review Process is a contact sport at GE; it has the intensity and the importance of the budget process at most companies." —Ed Michaels, *War for Talent*

A mouthful, eh?
(And you and yours?)

53 = 53*

*53 people = 53 (different) evaluation criteria

There are, for example, 53 players on a team's active duty NFL (USA pro football) roster.

Each player has a unique role to fulfill on the team. (Duh.)

Each one is at a different place in their personal and professional development.
No two are alike. (Duh.)

A generic evaluation scheme would literally be ... **INSANE**.

One needs 53 different measures for 53 different players. (**DUH**.)

People are **NOT** "Standardized." Their evaluations should **NOT** be standardized. **EVER.**

Standardized Evaluations?

NFL players?
World Cup team players?
Actors in a theater company?
Dancers in a ballet company?
Etc.
Etc.

Standardized evaluations are (repeat) …

INSANE.

Some Thoughts on EVALUATIONs

*Do football coaches or theater directors use a standard evaluation form to assess their players/actors? Stupid question, eh?

*Does the CEO use a standard evaluation form for her VPs? If not, then why use one for front line employees?

*Evaluating someone is a conversation/several conversations/a dialogue/ongoing, not filling out a form once every 6 months or year.

*If you (boss/leader) are not exhausted after an evaluation conversation, then it wasn't a serious conversation.

*Does it take you at least a day to prepare for a 1-hour evaluation meeting? If not, you are not serious about the meeting.

*I am not keen on formal high-potential employee I.D. programs. As manager, I will treat all team members as potential "high potentials."

*Each of my eight "direct reports" has an utterly unique professional trajectory. How could a standardized evaluation form serve any useful purpose?

*Standardized evaluation forms are as stupid for assessing the 10 baristas at a Starbucks shop as for assessing Starbucks' 10 senior vice presidents.

*Evaluation: No problem with a shared checklist to guide part of the conversation. But the "off list" discussion will by far be the most important element.

*How do you "identify" "high potentials"? You don't! They identify themselves-- that's the whole point.

*"High potentials" will take care of themselves. The great productivity "secret" is improving the performance of the 60% in the middle of the distribution.

6.11

Me!

(The [All Important) Development of Self)

"Being aware of yourself <u>and how you affect everyone around you</u> is what <u>distinguishes</u> a superior leader."

—Edie Seashore

The leadership gurus speak with one voice on this: **Self-knowledge and self-development is Leader Job #1.*** **(*This hasn't been my standard view—but there is such unanimous agreement among so many people I respect, that I willingly stand corrected. So be it!)**

Think about it.
(Your self assessment skills likely [do]

... <u>STINK</u>. *Especially* **if you think they're good!)**

"To develop others, start with yourself."

—Marshall Goldsmith

Mr. Goldsmith is perhaps the best known executive coach around.

So: Pay attention.

P-L-E-A-S-E.

"Work on me first."

—Kerry Patterson, Joseph Grenny, Ron McMillan and
Al Switzler/*Crucial Conversations*

"*Leadership is self-knowledge. Successful leaders are those who are conscious about their behavior and the impact it has on the people around them. They are willing to examine what behaviors of their own may be getting in the way. ... The toughest person you will ever lead is yourself. We can't effectively lead others unless we can lead ourselves.*"

—**Betsy Myers,** *Take the Lead: Motivate, Inspire, and Bring Out the Best in Yourself and Everyone Around You*

"How can a high-level leader like _____ be so out of touch with the truth about himself? It's more common than you would imagine. *In fact, the higher up the ladder a leader climbs, the less accurate his self-assessment is likely to be.* The problem is an acute lack of feedback [especially on people issues]."

—Daniel Goleman (et al.), *The New Leaders*

Read.

V-E-R-Y carefully.

Repeat: Your self-evaluation (doubtless)

S-T-I-N-K-S.

DALE CARNEGIE

HOW TO WIN FRIENDS & INFLUENCE PEOPLE

"The biggest problem I shall ever face: the management of Dale Carnegie." —Dale Carnegie, diary of

A wonderful observation.
From a peerless source.

Which clearly applies to me ... *and* thee.

"Everyone thinks of changing the world, but no one thinks of changing himself."

—Leo Tolstoy

Yikes.

(Well, maybe we *do* consider self improvement. But look again at the quotes in this section: Some (**VERY**) savvy people suggest/conclude that self-knowledge and self-development is indeed ... **Leader Task #1**.)

6.12 1ˢᵗ-Line Bosses (Cadre of) = Productivity Asset

#1!

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, from Robert Kaplan,
"The Man Who Would Be Khan," *The Atlantic*

No issue about this. As an astute and universally agreed upon observation— and consistent with my U.S. Navy experience with the Seabees in Vietnam (though Chiefs in the USN, not sergeants as in the USA/ USMC/USAF).

Employee retention _&_ satisfaction _&_ productivity:

Overwhelmingly

based on the

first-line

manager!

Source: Marcus Buckingham & Curt Coffman, *First, Break All the Rules: What the World's Greatest Managers Do Differently*

"People leave managers not companies."

—Dave Wheeler

Is there **ONE** "secret" to productivity and employee satisfaction?

YES!

The Quality of your **FULL CADRE** of … 1st-line Leaders.

No way to overstate here. Companies *do* pay attention to 1st-line supervisors—but do not/rarely consider the full cadre of

1st-line leaders a ... 1st-ORDER STRATEGIC ASSET ... worthy of stupendous investment in selection and development.

(PLEASE PONDER THIS.)

E.g.: Do you have the ...

ABSOLUTE BEST 1st-LINE MANAGER TRAINING & DEVELOPMENT PROGRAMS IN THE INDUSTRY ...

So ...

do you ?

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.'"*

As I write, I've been banging on about this for about 18 months. *In all my experience, I have rarely hit such an exposed nerve—and have rarely observed such vigorous follow-up (interestingly, especially from giant company CEOs).*

Upon reflecting, most agree with the basic assertion of the "over-the-top" importance of the 1st line cadre—and, further, that they are doing a half-assed job at best with selection and development thereof, and that, upon careful examination, they're downright embarrassed at how inadequate their selection process and training and evaluation and recognition programs are.

6.13 WOMEN RULE!
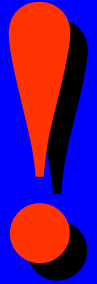
56%

Keep this figure in mind.

"Research [by McKinsey & Co.] suggests that to succeed, start by promoting women."

—Nicholas Kristof, "Twitter, Women, and Power," *NYTimes*

McKinsey is not exactly a bunch of lightweights.

"In my experience, women make much better executives than men."

—Kip Tindell, CEO, Container Store

Container Store is wildly successful—and is a mainstay among the "Fortune 100 Best Companies to Work For in America"—it was in fact recently ranked #1.

"AS LEADERS, WOMEN RULE:

New Studies find that female managers outshine their male counterparts in almost every measure"

TITLE/ Special Report/ *BusinessWeek*

The *Economist* is not a purveyor of hyperbole. Quite the contrary.

"**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

Read carefully.
Again, the source is close to
unimpeachable.

(All the previous quotes in this section

have 5-star pedigrees❗)

Lawrence A. Pfaff & Assoc.

— 2 Years, 941 mgrs (672M, 269F); 360º feedback

— Women: better in 20 of 20 categories; 15 of 20 with statistical significance, incl. decisiveness, planning, setting stds.)

— "Men are not rated significantly higher by _any_ of the raters in _any_ of the areas measured." (LP)

More.
Ditto.

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."

Source: Nicholas Kristof, "Twitter, Women, and Power," *NYTimes*, 1024.13

56!/

McKinsey!

Women's Strengths Match New Economy Imperatives:

Link [rather than rank] workers; *favor interactive-collaborative leadership style [empowerment beats top-down decision making];* **sustain fruitful collaborations; comfortable with sharing information;** *see redistribution of power as victory, not surrender;* **favor multi-dimensional feedback;** *value technical & interpersonal skills, individual & group contributions equally;* **readily accept ambiguity;** *honor intuition as well as pure* **"rationality";** **inherently flexible;** *appreciate cultural diversity.*

Source: Judy B. Rosener, *America's Competitive Secret: Women Managers*

In the "modern" organization, huffing and puffing and shouting orders is dying. Gaining cooperation of scattered team members who don't "report to" the (formally designated) leader is the emergent norm.

Which—quite simply and persuasively—plays to women's strengths.

Women's Negotiating Strengths

*Ability to put themselves in their counterparts' shoes

*Comprehensive, attentive and detailed communication style

*Empathy that facilitates trust-building

*Curious and attentive listening

*Less competitive attitude

*Strong sense of fairness and ability to persuade

*Proactive risk manager

*Collaborative decision-making

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

Quite a list, eh?

(Wow❗)

"TAKE THIS QUICK QUIZ: Who manages more things at once? *Who puts more effort into their appearance?* Who usually takes care of the details? *Who finds it easier to meet new people?* Who asks more questions in a conversation? *Who is a better listener?* Who has more interest in communication skills? *Who is more inclined to get involved?* Who encourages harmony and agreement? *Who has better intuition?* Who works with a longer 'to do' list? *Who enjoys a recap to the day's events?* Who is better at keeping in touch with others?"

Source/from the back cover: *Selling Is a Woman's Game: 15 Powerful Reasons Why Women Can Outsell Men*, Nicki Joy & Susan Kane-Benson

More.
Ditto.
(I can find no questions which do not deserve an **AFFIRMATIVE** answer.)

"In the 1990s, the Canadian Broadcasting Corporation/CBC created a short film that recorded an experiment in leadership styles between women and men. CBC didn't tell the participants the objective of the work they would do that day; the director simply divided the male and female leaders into two teams, and gave those team leaders the same instructions: build an adventure camp. The teams were set up in a somewhat militaristic style at first, including team members wearing uniforms, but also with the caveat in place that the teams could alter their style and method as they wished as long as they met the outcome in time.

"Leader one immediately created a rank-and-file hierarchy and gave orders, even going so far as to assert authority by challenging members on whether they had polished their shoes.

"Leader two did not have the 'troops' line up and be inspected, but instead met with the other team members in a circle, asking 'How are we doing? Are we ready?' 'Anything else we should do?' 'Do you think they'll test us on whether we've polished our shoes?' Instead of giving orders, leader two was touching team members on the arm to reassure them.

"As part of the program, CBC arranged for corporate commentators to watch the teams prepare. Initially the commentators (mostly men) were not impressed by the leadership style of leader two; the second team wasn't 'under control,' members weren't lined up, and they 'lacked order' (or so it seemed). **The commentators predicted that team two would not successfully complete the task. Yet when the project was completed, team two had built an impressive adventure camp as good as team one's, with some aspects that were judged as better**.

"When de-briefing their observations, the commentators noticed that when team one was building the structures for the camp, there had been discord regarding who was in charge and who had completed which job and who hadn't. Team one exhibited a lack of communication during the process of completion that created problems (for example, 'Wasn't someone else supposed to do this?').

"Team two, on the other hand, took longer to do certain things, but because of its emphasis on communication and collaboration during the enactment of the task (such as 'Let's try this' and 'What do you think about that?'), the team met the goal of building the adventure camp in its own positive way, and on time."

Source: *Leadership and the Sexes: Using Gender Science to Create Success in Business,*
by Michael Gurian and Barbara Annis (section title: "Gender Experiments Surprise Even the Experts")

"[Women] see power in terms of influence, not rank." —*Fortune*

"Guys want to put everybody in their hierarchical place. Like, should I have more respect for you, or are you somebody that's south of me?"

—Paul Biondi, Mercer Consultants
(from *It's Not Business, It's Personal*, Ronna Lichtenberg)

**Fascinating, eh?
And, again, peculiarly relevant to the emerging, less orderly and hierarchal organizational formats.**

(Love love love the CBC study!)

I'M SORRY — I WAS WRONG.

WITH NO TIME LEFT ON THE CLOCK, THE SEASON ON THE LINE, DAN UNLOADS THE HAIL MARY FOR THE WIN — UNBELIEVABLE!

Yup.
(One *more* reason women tend to be better managers.)

"Headline 2020: Women Hold

80 **Percent of Management and Professional Jobs"**

Source: *The Extreme Future: The Top Trends That Will Reshape the World in the Next 20 Years*, James Canton

Context for the above.
A new world order.

Women's Share of Degrees 2008

Bachelor's ... 57%

Advanced ... 59%

Source: Martha Barletta/TrendSight Group/0517.11

Helps explain that previous 80% estimate.

(And this gap is growing [**fast**].)

"THE NEW GENDER GAP: From kindergarten to grad school, <u>boys are becoming the second sex</u>"

—Cover story, *BusinessWeek*

Not Just America ...

"BOYS FALLING

SEVEN

YEARS BEHIND

GIRLS

AT GCSE LEVEL"

—headline, *Weekly Telegraph*, UK

Worrisome.

(**VERY**)

(But this is not the place for an extended discussion on the topic. Just a [troublesome] teaser.)

Girls education #1: Yields highest return on investment in developing world*

*better nutrition for family. Better kids' education. Better health. Higher family income. Lower birth rate. Etc.

Source: Larry Summers, as reported in "The Payoff From Women's Rights," Isobel Coleman, *Foreign Affairs,* May-June 2004

"THE BEST IDEA IN THE WORLD: THE SOLUTION TO POVERTY IS <u>INVESTING IN WOMEN AND GIRLS</u>.
MELINDA GATES
IS BETTING BILLIONS ON IT."

Source: Title, cover story, *Forbes*, 14 December 2015

FYI.

Women Age 22-30 Earn 8% More Than Male Counterparts ...

Atlanta ... 21%

New York ... 17%

Miami ... 14%

Memphis ... 19%

Etc.

Glimpse of tomorrow?

"The growth and success of _women-owned businesses_ is one of the most profound changes taking place in the business world today."

—Margaret Heffernan, *How She Does It*

U.S. firms owned or controlled by Women: 10.6 million (48% of all firms)

Growth rate of Women-owned firms vs all firms: 3X

Rate of jobs created by Women-owned firms vs all firms: 2X

Ratio of total payroll of Women-owned firms vs total for Fortune 500 firms: >1.0

Ratio of likelihood of Women-owned firms staying in business vs all firms: >1.0

Growth rate of Women-owned companies with revenues of >$1,000,000 and >100 employees vs all firms: 2X

Source: Margaret Heffernan, *How She Does It*

U.S. Women-owned Biz

U.S. employees thereof > F500 employees worldwide

Source: Martha Barletta, *Marketing to Women*

And another angle on the same story. (#s are far beyond "impressive"—they are singular in their importance.)

94% OF LOANS TO ...

WOMEN*

*Microlending; "Banker to the poor"; Grameen Bank; Muhammad Yunus; 2006 Nobel Peace Prize winner

Another angle on women-owned businesses. Mr. Yunus never intended his micro-lending program to be skewed toward women. But the sad fact is the male recipients tended to squander their loans, often and alas, on the likes of booze and gambling. The women put it into the business and community. Over time the fraction on the prior slide climbed to the sky.

"There are countless reasons rescuing girls is the right thing to do. It's also the smart thing to do. Consider the virtuous circle: An extra year of primary school boosts girls' eventual wages by 10-20%. An extra year of secondary school adds 15-25%. Girls who stay in school for seven or more years marry four years later and have two fewer children than girls who drop out. Fewer dependents per worker allows for greater economic growth. ... *When girls and women earn income, they re-invest 90% in their families. They buy books, medicine, bed nets. For men the figure is more like 30-40%.* 'Investment in girls' education may well be the highest-return investment available in the developing world,' Larry Summers wrote when he was chief economist at the World Bank. The benefits are so obvious, you wonder why we haven't paid attention. Less than two cents of every development dollar goes to girls—and that is a victory compared to a few years ago when it was something like one-half cent. Roughly 9 of 10 youth programs are aimed at boys. ..."

—Nancy Gibbs, "The Best Investment: If you really want to fight poverty , fuel growth and combat extremism, try girl power," *TIME* (0214.2011)

**Support for Yunus' experience.
(Alas, counterevidence is hard—if not
impossible—to come by.)**

Reading "suggestion" (as in I *beg* you):

Half the Sky: Turning Oppression into Opportunity for Women Worldwide

—**Nicholas Kristof and Sheryl WuDunn**

HALF THE SKY

TURNING OPPRESSION INTO OPPORTUNITY FOR WOMEN WORLDWIDE

Nicholas D. Kristof
and **Sheryl WuDunn**

WINNERS OF THE PULITZER PRIZE

This book is superb—though sometimes harrowing.

Warren Buffett Invests Like a Girl: And Why You Should Too —Louann Lofton

Portrait of a Female Investor

1. Trade less than men do
2. Exhibit less overconfidence—more likely to know what they don't know
3. Shun risk more than male investors do
4. Less optimistic, more realistic than their male counterparts
5. Put in more time and effort researching possible investments—consider details and alternate points of view
6. More immune to peer pressure—tend to make decisions the same way regardless of who's watching
7. Learn from their mistakes
8. Have less testosterone than men do, making them less willing to take extreme risks, which, in turn, could lead to less extreme market cycles

Source: *Warren Buffett Invests Like a Girl: And Why You Should Too*, Louann Lofton, Chapter 2, "The Science Behind the Girl"

Sparkling/Stunning list of attributes. (Could we have avoided the Great Recession if women had run the investment world?) (FYI: Buffett gave the book a great review.)

... *this will be the women's century ...*

"I speak to you with a feminine voice. It's the voice of democracy, of equality. I am certain, ladies and gentlemen, that this will be the women's century. In the Portuguese language, words such as life, soul, and hope are of the feminine gender, as are other words like courage and sincerity."

—President Dilma Rousseff of Brazil,
1st woman to keynote the United Nations General Assembly

I believe it.

"Forget CHINA, INDIA and the INTERNET: Economic Growth Is Driven by WOMEN."

Source: 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 confidant that they have a winning strategy when it comes to women. Consider Dell's …"

Source: Michael Silverstein and Kate Sayre, "The Female Economy," *HBR*

I believe women by and large are the more effective managers than men circa 2016. But that assertion takes on **10X** more power when one acknowledges that women are the primary drivers of economic growth as consumers of goods and services, at retail and, increasingly, as purchasers of the majority of wholesale/commercial goods and services.

(This topic is analyzed in detail later— in Chapters 11 and 15.)

Can you pass the ...

"Squint test" ?

Take a picture of your executive team. Hold it up in front of your face and squint at it. Does it look pretty much like the market you serve? Odds are—and I'll say MUCH MORE later—that women are a significant—perhaps dominant—share of your customer population.

So: Does the composition of your exec team (more or less*) match that market portrait?

(*I'm *not* talking about or in any way urging quotas; I am talking about general congruence between market characteristics and leadership team composition; it makes simple economic sense.)

Elizabeth Cady Stanton
(more or less) (31 March 2007)

I've had a great—and enlightening and humbling—time working women's issues over the last 20 years.

In my spare time as well as professional time.

For a local (Vermont) historically themed costume party, I skipped over Ben Franklin and Abe Lincoln and instead dressed as my hero, **Elizabeth Cady Stanton**, arguably the chief engineer of the 70+ year American effort to gain the right to vote for women. (Which eventually occurred in 1920.)

PUTTING PEOPLE (REALLY!) FIRST: THE LEADER'S AGENDA

Putting people (REALLY) first calls for a particular type of leadership. It is discussed more fully in Chapter 16. However I have cherrypicked the highlights ... which I present here.

"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

Source: *Fortune*, "Secrets of Greatness"

When Bob Waterman and I wrote *In Search of Excellence* in 1982, business was mostly "by the numbers"—and we Americans were struggling (to put it mildly) against hands on, tactile stuff ... like superior Japanese auto quality.

Then, at Hewlett Packard (at the time, Silicon Valley's paragon of Excellence) we were introduced to the famed "HP Way," the centerpiece of which was in-touch management. HP had a term for this ... MBWA. **(MANAGING BY WANDERING AROUND.)**

Bob and I immediately fell in love. Not only was the idea per se important and effective and cool, but it symbolized everything we were coming to cherish— enterprises where bosses-leaders were in immediate touch with and emotionally attached to workers, customers, the product.

The idea is arguably more important in 2015 than it was in 1982.

25

Despite the presence of a brilliant staff and terabytes of new data every day, not to mention an insanely busy schedule, Starbucks boss Howard Schultz religiously visits at least 25 shops each week. If he doesn't, he says, he loses touch with the basics of the business and his front line team..

Amen.
Amen 25 times over.

(And you??)

6.14.2.1/ **Acknowledgement!**

Acknowledgement

I like the second title slide better than the first.

"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")

"The deepest urge in human nature is the desire to be important." —John Dewey

P-L-E-A-S-E.
Savor both of these quotes.
(Repetitive though they are.)
Read.
Re-read.
Re-reread.
Do not rush through them.
The sources are impeccable.
The idea is priceless.
P-R-I-C-E-L-E-S-S.
The idea is practical.

"*Acknowledge*" … perhaps the most powerful word (and idea) in the English language—and in the manager's tool kit!

Operative term is "tool kit."
You must measure (yes) yourself on this.
Daily.
You must ... LEARN ... to do this.
(It is a field of formal study.)
You must practice.
You must de facto become an
"acknowledgement professional."

"Employees who don't feel significant rarely make significant contributions."—Mark Sanborn

Brilliant.
Beyond brilliant.
Worthy of deep study.
A charter member of my "Top 10 Slides" set.

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

Variation on the prior theme.

"People want to be part of something larger than themselves. They want to be part of something they're really proud of, that they'll fight for, sacrifice for, trust." —**Howard Schultz, Starbucks**

I watched (as a patient) an ER doc at work. When a nurse or tech came by with something for him to look at, he invariably said

"_Awesome,_" in a rather quiet voice.

You could call it over the top—and it could have been. But fact is somebody brought him something he needed, and he recognized it. For one thing, docs rarely say thanks to anyone. (Sad but true.) And especially their "underlings." Second, someone _had_ helped, so _why not_ recognize that?

Acknowledge-appreciate-succeed. (That's all, folks. No kidding.)

Boil it down, and all we want is to be acknowledged. Get that, routinely offer such acknowledgement—and you couldn't fail if you tried.

A CANDIDATE FOR THE "CORE VALUES STATEMENT":

"We habitually express appreciation for one another's efforts—because we do in fact consciously appreciate everyone's 'ordinary' 'daily' contributions, let alone the extraordinary ones."

Yes.
Formalize.
CORE VALUE.

In Greece,
a long time ago,
an old couple
opened their door

to two strangers
who were,
it soon appeared,
not men at all,

but gods.
It is my favorite story—
how the old couple
had almost nothing to give
but their willingness
to be attentive—

and for this alone
the gods loved them
and blessed them.

2

6.14.2.2/

"THANK YOU"

Nothing but nothing but nothing is more important than saying "Thank you."

PERIOD.

"Little" >> "Big"

THIS TALE OF SMALL IS VERY VERY BIG.

It's not "Thank you" for making the million-dollar sales that matters. (That's going to happen regardless.) It's, to use One-Minute Manager/Ken Blanchard's term, "catching someone doing something [some *little* thing] right."

And to the recipient, the *spontaneous* "little ones" have higher impact than the biggies.

(Please re-read: SMALL >> Big.)

1/80*

*Post-interview "Thank you" notes

A women came up to me after my riff on acknowledgement. she'd just landed a big job—competing against about 80 others. The person who made her the offer told her that of the 80 candidates, she was the ... **ONLY** **ONE** ... who followed up the interview with thank you notes to each of the interviewers.

(Doubtless she had the technical specs to fit the job, as did most or all of the others. But a distinguishing factor, beyond the bare requirements, doubtless were those T-notes!)

"Retired United States Navy Captain Mike Abrashoff knows the importance of saying **'THANK YOU.'** In *It's Your Ship,* Abrashoff relates how he sent letters to the parents of his crew members on the guided-missile destroyer USS Benfold, many of whom came from underprivileged backgrounds. Putting himself in those parents' shoes, he imagined how happy they would be to hear from the Commanding Officer that their sons and daughters were doing well. And he figured that those parents would, in turn, call their children to tell them how proud they were of them.

"Abrashoff debated whether to send a letter to the parents of one young man who wasn't really star material. Weighing the sailor's progress, he decided to go ahead. *A couple of weeks later, the sailor appeared at his door, tears streaming down his face. It seems that the kid's father had always considered him a failure and told him so. After reading the captain's letter, he called to congratulate his son and tell him how proud he was of him*. 'Captain, I can't thank you enough,' said the young man. For the first time in his life, he felt loved and encouraged by his father.

"As Abrashoff says, 'Leadership is the art of practicing simple things—commonsense gestures that ensure high morale and vastly increase the odds of winning.' In other words, small changes can have big consequences."

Source : Rick Faulk and Barry Libert, *BARACK, INC.*
What Business Can Learn from the Obama Campaign

More.

CEO Doug Conant

sent **<u>30,000</u>** **<u>handwritten</u>** 'Thank you' notes to employees during the 10 years **[approx 10/day]** he ran Campbell Soup.

NO! YOU CANNOT "OVERDO IT"!

I'M SO SICK AND TIRED OF THIS "DEBATE" OVER DE-VALUING THE "THANK YOU CURRENCY."

Bullshit.

Say **"Thank you"** until you're blue in the face.
Then say it some more.

It is the key to every flavor of relationship—and, by extension, leader effectiveness.

6.14.3/ 4/8/12

"The **4** most important words in any organization are ...

THE FOUR MOST IMPORTANT WORDS IN ANY ORGANIZATION

ARE ... **"WHAT DO YOU THINK?"**

For what it's worth, I agree wholeheartedly with Mr. Wheeler's assertion:

FOUR-MOST-IMPORTANT.

"WDYT" =

Certification of me

(the one asked) **as a person of**

Importance whose
opinion is valued.

Not only is **WDYT** a peerless source of information—but it is also a peerlessly peerless motivator.

Tomorrow: How many times will you "*ask the WDYT question*"?

(Count 'em!!)

(Practice makes better!) (This is a

STRATEGIC skill!)

As usual, my measurement bias.

8:
Change the World With EIGHT Words

What do you think?
How can I help?

Helping: (**MUCH**) easier said than done! A formal skill to be studied and practiced.

(Frankly, I think effectiveness at helping makes neurosurgery look like a walk in the park. It—done right—is an act of **EXTREME DELICACY**.)

What do managers *do* for a living?

Help!

Right?

How many of us could call ourselves *"professional helpers,"* meaning that we have studied—like a professional mastering her musical craft—"helping"? (Not many, I'd judge.)

Ed Schein: *Helping: How to Offer, Give, and Receive Help*

Last chapter: 7 "principles." E.g.:

PRINCIPLE 2: *"Effective Help Occurs When the Helping Relationship Is Perceived to Be Equitable.*
PRINCIPLE 4: *"Everything You Say or Do Is an Intervention that Determines the Future of the Relationship.*
PRINCIPLE 5: *"Effective Helping Begins with Pure Inquiry.*
PRINCIPLE 6: *"It Is the Client Who Owns the Problem."**

(Words matter!! Read a quote from NFL player-turned lawyer-turned professional football coach, calling his players "my clients." (*Love the idea that the employee is a "Client" !)

Employee as Client!
"Helping" is what we (leaders) "do" for a living!
STUDY/PRACTICE "helping" as you would neurosurgery!

("Helping" is your neurosurgery!)

Schein's book is simply a must read.

A "must **read**."
A "must **study**."
A "must **practice**."

Boss as ...
CHRO/Chief Hurdle Removal Officer

Removing impediments to GTD/Getting Things Done is a major part of the boss' FORMAL role.

12:

Change the World
With TWELVE Words

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

You (leader) should be able to get immediate answer upon stopping anyone and asking, **"What have you learned today?"**

2016/2016+: Learn something every day—literally—or quickly fall behind in the employability race (individual without perpetually enhanced skills) and effectiveness race (organization without 100% learners).

Yes:

EVERY EMPLOYEE.
EVERY DAY.
EVERY = EVERY.

4/8/12

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

Your mantra!

6.14.4/ 18

"The doctor interrupts after ...*

*Source: Jerome Groopman, *How Doctors Think*

Harvard Med School doc Jerome Groopman tells us that the patient is the doctor's best source of evidence about the patient's problem.

Period.

Then, citing hard-nosed research, Groopman asks,

"On average, how long does the patient speak before the doc interrupts …

18 ...

18 ... *seconds!*

The topic here is leaders, not M.D.s But I will bet you a fat sum that the majority of "leaders" fall within the docs' 18-second timeframe.

(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 ...
the ULTIMATE
mark of
RESPECT.

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**

When it comes to ... **SUSTAINABLE COMPARATIVE STRATEGIC ADVANTAGE** ... there is *nothing* but *nothing* but *nothing* that compares with ... **EXCELLENCE IN STRATEGIC LISTENING**.

Period.
(Think about it ... LONG & HARD.)

I DECIDED THAT MY JOB WAS TO LISTEN AGGRESSIVELY

"AGGRESSIVE LISTENING": *"My education in leadership began in Washington when I was an assistant to Defense Secretary William Perry. He was universally loved and admired by heads of state ... and our own and allied troops. A lot of that was because of the way he listened. Each person who talked to him had his complete, undivided attention. Everyone blossomed in his presence, because he was so respectful, and I realized I wanted to affect people the same way.*

"Perry became my role model but that was not enough. Something bigger had to happen, and it did. It was painful to realize how often I just pretended to hear people. How many times had I barely glanced up from my work when a subordinate came into my office? I wasn't paying attention; I was marking time until it was my turn to give orders. That revelation led me to a new personal goal. I vowed to treat every encounter with every person on Benfold (Abrashoff was the Captain) *as the most important thing at that moment. It wasn't easy, but my crew's enthusiasm and ideas kept me going.*

"It didn't take me long to realize that my young crew was smart, talented and full of good ideas that usually came to nothing because no one in charge had ever listened to them. ... I DECIDED THAT MY JOB WAS TO LISTEN AGGRESSIVELY ..." **—Mike Abrashoff,** *It's Your Ship: Management Techniques from the Best Damn Ship in the Navy*

Mike Abrashoff is one the most pursued "management gurus." His approach to effectively commanding a U.S. Navy guided missile destroyer is admired far and wide. Among the primary tactics he used was

"*aggressive listening*"—not exactly the norm for ship captains, or, for that matter, the average manager.

Tweets on Listening/@tom_peters

Hustle essential. But remember to routinely take-make the time to engage people at a personal level about professional issues-opportunities.

People are on to you! They are able in a flash to discern that even though you asked a question you are not tuned in to their response.

If you ask a question and don't ask 2 or 3 follow up questions, odds are you weren't listening to the answer.

If you are "listening" and in your mind preparing your response, then, duh, you <u>aren't</u> listening!

I grew up near railroad crossings. As kids we had drummed into us, "<u>Stop</u>. <u>Look</u>. <u>Listen</u>." Bosses should religiously heed this advice!

You must introduce a core training course in listening. Label it "Fundamentals of execution." Execution hinges on listening— It's not a solo act.
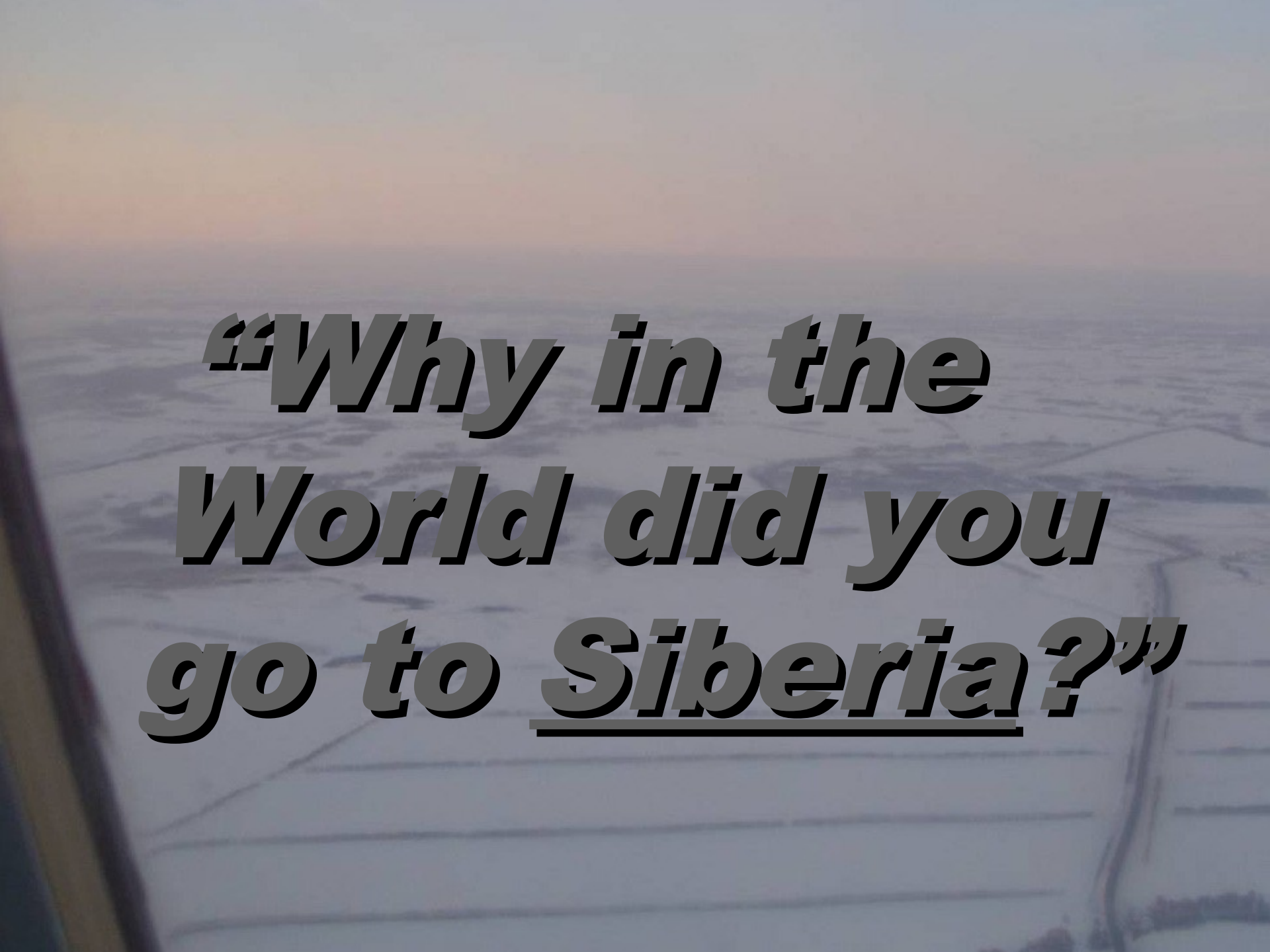
Listening is a <u>purposeful</u> act requiring effort and <u>100</u>% attention. There's nothing casual or automatic about it.

Listening is expensive. It's just that the alternative is far more expensive.

6.14.5/

WHY NOT?

A half-dozen years ago I went to Novosibirsk, Siberia, to give a seminar. (Novosibirsk, center of Soviet scientific excellence, was now confronting the global economy—and looking for a new direction.)

The unusual setting caused me to go back to "first principals" in my thinking about enterprise.

I asked myself, for starters …

"WHAT'S THE POINT?"

ENTERPRISE* (*AT ITS BEST): *An emotional, vital, innovative, joyful, creative, entrepreneurial endeavor that elicits maximum*

concerted human potential in the wholehearted pursuit of EXCELLENCE *in* service *of others.***

**Employees, Customers, Suppliers, Communities, Owners, Temporary partners

ENTERPRISE* **(*AT ITS BEST)** : *An emotional, vital, innovative, joyful, creative, entrepreneurial endeavor that elicits maximum concerted human potential in the wholehearted pursuit of EXCELLENCE in service of others.*

Enterprise, as I note ... AT ITS BEST.
(Obviously not always achieved—or, alas, even aspired to.)

On the other hand ...

if this or something very much like it is <u>not</u> the aim, then ... what <u>is</u> the point?

Think about it.
Please.
(E.g., Consider the *opposite* of each word here—is, say, "joyless" acceptable?)

(Photo is me and my interpreter, who turned out to have an economics PhD from the University of Maryland; on stage in Novosibirsk.)

"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*

The industry is tough as nails, fast-paced—and unforgiving. And yet Menlo CEO Richard Sheridan insists that his raison d'être, competitive advantage and success "secret" is … **JOY!**

Again, please think about this.
Carefully.
What would be the literal translation in your world?

And: **WHY NOT?**

(Seriously.)
(Damn it.)

"You have to treat your employees like <u>customers</u>."

—Herb Kelleher, Southwest Airlines, upon being asked his "secret to success"

"If you want staff to give great service, <u>give great service to staff</u>."

—Ari Weinzweig, Zingerman's, in Bo Burlingham's *Small Giants: Companies That Choose to Be Great Instead of Big*

Obvious.
Honored in the breach in 9 of 10 cases.

"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*

By my lights ...

**PROFOUND.
OBVIOUS.
M.I.A.**

Profit Through Putting People First Business Book Club

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 Built a Business Where Everyone Thrives, by Kip Tindell, CEO Container Store

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 Zeynep Ton, MIT

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

Employees First, Customers Second: Turning Conventional Management Upside Down, by Vineet Nayar, CEO, HCL Technologies

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

The Customer Comes Second: Put Your People First and Watch 'Em Kick Butt, by Hal Rosenbluth, former CEO, Rosenbluth International

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, former commander, SSN Santa Fe

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

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

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

The Dream Manager, by Matthew Kelly

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

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

There are folks who practice "this stuff." And there is a de facto "library" associated therewith. And I do suggest a leadership/executive book club.

Namely: **Profit Through Putting People First Business Book Club**.

6.15 **PEOPLE > STRATEGY**

(Finally)

McKinsey: **Culture > Strategy**

Wall Street Journal, 0910.13: *"What matters most to a company over time? Strategy or culture?"*

Dominic Barton, Managing Director,

McKinsey & Co.: *"Culture."*

McKinsey: **People > Strategy**

"People Before Strategy"

—title, lead article, *Harvard Business Review* July-August 2015, by McKinsey MD Dominic Barton et al.

This was not the McKinsey I grew up in—where "culture" was "soft stuff," worthy of disdain, not worship. And the "people stuff" merited little more than lip service.

Perhaps some progress after all?