EXCELLENCE 2020 OBSERVATIONS LEADING WITH COMPASSION AND CARE IN TROUBLED TIMES

Tom Peters
April 2020

43 YEARS
ONE MESSAGE:
PEOPLE FIRST
NOW MORE THAN EVER

Tom Peters
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I call this paper "observations." It consists of a collection of commentaries, only loosely organized, that are mostly aimed (at least indirectly) at coping during the COVID-19 chaos. As always with me, EXCELLENCE is the subtext. Hugh MacLeod of Gapingvoid said,

"Creating Excellence is not a job.
Creating Excellence is a Moral Act."

Sooooooo . . .

EXCELLENCE.
Now more than ever.

PEOPLE AND COMMUNITY.
Now more than ever.

Be well.
Stay safe.

We are all family . . .

Tom

1982–2020
EPIGRAPHS/THE EVERYTHING LIST

"Dr. D.A. Henderson, who led the international effort to eradicate smallpox, was asked what he wanted to eradicate next. His answer: 'Bad management.'"
—Sabin Vaccine Institute

"Business has the responsibility to increase the sum of human well-being."
—Mihaly Csikszentmihalyi, *Good Business*

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

"Train people well enough so they can leave, treat them well enough so they don't want to."
—Richard Branson

"The ultimate filter we use is that we only hire nice people."
—Peter Miller, CEO, Optinose

"Research [by McKinsey] *suggests that to succeed, start by promoting women."*
—Nicholas Kristof, *New York Times*

"Sustainability: It's the right thing to do, it's the smart thing to do, it's the profitable thing to do."
—Hunter Lovins, Rocky Mountains Institute

"In some way, by caring, we are actually serving humanity. People might think it's a stupid belief, but it's a goal—it's a contribution that we hope we can make, in some small way, to culture."
—Jony Ives, Chief Designer, Apple

"Strive for excellence. Ignore success."
—Bill Young, race car driver

"Creating Excellence is not a job.
Creating Excellence is a Moral Act."
—Hugh MacLeod, Gapingvoid

TEN TWEETS/NINE BY ME/14-23 APRIL 2020
LEADING IN THE AGE OF COVID-19

*Caring deeply about others and putting their wellbeing first is what makes you a decent human being personally and professionally. Period. (And, alas, "caring about others" rarely tops the employee hiring-promotion criteria list.) And, yeah, there's other stuff, too. BUT. FIRST. THINGS. FIRST.

*Companies are going to find out how good their hiring and promoting practices were/are. Those who focused on empathy, listening, inclusiveness, altruism, etc. will thrive; others, not so clear. . .

*One needs to project humanity and attentiveness ("fierce listening," as one guru put it) as never before. Former Secretary of State Dean Rusk said, "The best way to persuade someone is with your ears." Goes 10 times today. Famed football coach Bo Schembechler said, "We passed up 'hotshots' for guys we thought were better people"—and a peerless, decades-spanning winning record ensued. (And the "better people" went on to more fulfilling lives—no surprise, eh?)

*MBWA/Managing By Wandering Around is a state of mind (engagement/ deep human connection) more than a physical act. Leaders who fully engage each team member and put their humanity on display. Leaders who worry more about how individuals and their families are coping than making it through every agenda item in the next virtual meeting. MBWA is synonymous with GASI/Give-A-Shit-Ism.

*Only one answer to "how to lead in a crisis": LEAD WELL BEFORE THE CRISIS. That means creating a team whose members are wholly respected as individuals, who have been trained beyond one's wildest imagination (Training = Capital Investment #1/see below)**, are given exceptional autonomy and responsibility, and who care deeply about one another.**

*This is *the* defining moment of your career. You will not be remembered by the contours of your balance sheet. You will be remembered by the way you supported people.

*Mark Crowley: **"When this COVID mess is over & all managers are assessed, the grading scale will have profoundly changed. This time the criteria won't be numbers or productivity. Instead, top managers will be those who employees felt were deeply caring, empathetic & courageous."** (TP/me: !!!)

*My Top 2 post-coronavirus dreams: (1) Never again a promotion of anyone to management who does not have a truckload of empathy (high EQ) and a clearly demonstrated "PEOPLE FIRST" track record. (2) MORE MORE MORE women in senior leadership roles ASAP.

*More women in senior roles defined: 50-50 on Boards. 50-50 on exec teams (remember, women de facto buy everything, consumer AND commercial.) And [from an earlier twitter exchange on poor exec behavior in hospitals] more or less no-males-in-hospital-CEO-jobs. (And I more or less mean it.)

*COMMUNITY. NOW MORE THAN EVER. Organizations are in and of themselves . . . COMMUNITIES. Never forget that. If you think that way, among other things you will make a lot of good "people decisions." (Moreover, organizations are communities [the organization itself] embedded in communities [where our employees, and for that matter vendors and customers, live and work and contribute].)

EXCELLENCE IS . . .
THE ULTIMATE SHORT-TERM STRATEGY
EXCELLENCE IS THE NEXT FIVE MINUTES
(OR NOTHING AT ALL)

"We do not remember days, we remember moments."
—Cesare Pavese, poet

EXCELLENCE is <u>not</u> an "aspiration."
EXCELLENCE is <u>not</u> a "hill to climb."
EXCELLENCE <u>is</u> the ultimate short-term strategy.
EXCELLENCE <u>is</u> the next five minutes (or nothing at all).

EXCELLENCE is your next five-minute conversation in the real or virtual "hallway."
Or not.
EXCELLENCE is your next four-line email.* (**This is sooo true/so important!!!****)**
Or not.
EXCELLENCE is the first three minutes of your next meeting.
Or not.
EXCELLENCE is shutting up and listening—*really* **listening/"aggressively" listening.**
Or not.
EXCELLENCE is sending flowers to the hospital where your top customer's Mom is having serious surgery.
Or not.

EXCELLENCE is saying "Thank you" for something "small."
Or not.
EXCELLENCE is pulling out all the stops at warp speed to respond to a "minor" screw-up.
Or not.

EXCELLENCE is the flowers you bring to work on a dispiriting rainy day.
Or not.
EXCELLENCE is learning the names and school years of all 14 of your team members' kids.
Or not.
EXCELLENCE is bothering to learn the way folks in finance (or IS or HR) think.
Or not.
EXCELLENCE is waaaay "over"-preparing for a three-minute presentation.
Or not.
EXCELLENCE is …

Excellence is conventionally—in fact, almost without fail—seen as a long-term aspiration. I disagree. *Vehemently disagree.* Excellence is <u>not</u> a destination at which you arrive on a glorious sunny day after years of brutally hard work. Excellence <u>is</u> a way of life, a way of being that sustains us and inspires us and inspires those who are around us day in and day out. There is no "long term." There is only the way we act toward Anne or José when we step out into the corridor after a meeting—or, yes, the quality of that next four-line email.

THE MANAGERIAL MINDSET/TWO TAKES:
PAIN IN THE NECK OR
THE PINNACLE OF HUMAN ACHIEVEMENT

MANAGING (as often as not): A PAIN IN THE ASS. *Somebody's got to do it; punching bag for higher ups on one end, grouchy employees on the other; blame magnet if things go wrong, big bosses take the credit if things go right.*

Or

MANAGING (as it can/should be): THE <u>PINNACLE</u> OF HUMAN ACHIEVEMENT. *The greatest life opportunity one can have (literally). Mid- to long-term success is no more and no less than a function of one's dedication to and effectiveness at helping team members grow and flourish as individuals and as contributing members to an energetic, self-renewing organization dedicated to the relentless pursuit of* **Team/Customer/Community** *Excellence.*

MORE THAN THEY HAVE
EVER DREAMED OF BEING

"The role of the Director is to create a space where the actors and actresses can become more than they have ever been before, more than they have ever dreamed of being."
—Robert Altman, Oscar acceptance speech

PEOPLE. SERVICE. PERIOD.

Organizations Exist to Serve: People (Leaders) Serving People (the Front-Line Team) Serving People (Customers/ Communities).

MEMO TO EMPLOYEES/APRIL 2020

1. You are not "working from home," you are "at your home, during a crisis, trying to work."

2. Your personal physical, mental, and emotional health is extremely important right now. Take care of yourself!

3. You should not try to compensate for lost productivity by working longer hours.

4. Be kind to yourself and don't judge how you are coping based on how you see others coping.

5. Be kind to others and don't judge others in how they are coping based on how you are coping.

6. Success will not be measured the same way it was when things were normal.

Blue Mountain Community College
Boardman, Oregon (Note from TP to Blue Mountain CC Leaders: *Bravo*! [I dearly wish this was the norm—alas, it is not.])

BE KIND

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

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

YOU MUST CARE

"The one piece of advice which will contribute to making you a better leader, will provide you with greater happiness, and will advance your career more than any other advice . . . and it doesn't call for a special personality or any certain chemistry . . . and anyone can do it, and it's this:

YOU MUST CARE." (emphasis added)
—General Melvin Zais (This excerpt is from a War College address by General Zais to mid-level officers. I once gave the annual invited Forrestal Lecture at the U.S. Naval Academy. I handed out on my own nickel 4,000 [!] copies [CDs—ye olde days] of the Zais speech that featured this "must care" quote. I thought it was that important. I still do think it's that important—in fact, more important than ever.)

POSITIVE = *30X* NEGATIVE
(30X++ IN CV19 TIMES!)

"<u>*Positive attention is thirty times more powerful than negative attention in creating high performance on a team*</u>. . . . So while we may occasionally have to help people get better at something that's holding them back, if paying attention to what people *can't* do is our default setting as team leaders, and if all our efforts are directed at giving and receiving negative feedback more often and more efficiently, then we're leaving enormous potential on the table. <u>*People don't need feedback. They need attention, and, moreover, attention to what they do the best*</u>. And they become more engaged and therefore more productive when we give it to them." (emphasis added)
—Marcus Buckingham (Gallup/ADP Learning Systems) and Ashley Goodall (Chief Learning Officer, Deloitte), *Nine Lies About Work: A Freethinking Leader's Guide to the Real World*
??? Why do so many people (leaders, parents, even teachers) not get this ???

EXCELLENCE/MORAL MANAGEMENT THE ANSWER TO A 70 PERCENT "DISENGAGED" WORKFORCE

***Polls from all around the world are astonishingly consistent: 70 percent* to *85 percent* of** workers are unhappy with or disconnected from their job. (Way pre-COVID.) Sure, there's the increasing technological pressure—or the impact of, say, a product that goes bust (e.g., 737 MAX). But such factors need not (should not*!*) keep a manager from creating a supportive, humane, personal-growth-driven environment.

CREATING A POSITIVE AND SUPPORTIVE WORK ENVIRONMENT—REGARDLESS OF CIRCUMSTANCES AND ESPECIALLY IN CRAPPY CIRCUMSTANCES—IS HOW MANAGERS EARN THEIR PAY.

In fact, the premier mark of a great leader is precisely to create and maintain a spirited, effective, supportive environment when the world around them is in metaphorical (or, heaven help us, real) flames. Not grinning in the midst of a shitstorm but exhibiting true camaraderie when things are at their worst. FYI: *As I see it, 70 percent disengaged workers on a team is a felonious "leader" offense.*

FYI: *As I see it, 75 percent disengaged workers on a team is a felonious "leader" offense. (Yes, damn it, a felony!)*

This is personal to me. Are you and your fellow leaders willing to "sign up" for:

YOUR PRINCIPAL <u>MORAL OBLIGATION</u> AS A LEADER IS TO DEVELOP THE SKILL SET OF EVERY ONE OF THE PEOPLE IN YOUR CHARGE—TEMPORARY AS WELL AS SEMIPERMANENT—TO THE MAXIMUM EXTENT OF YOUR ABILITIES AND CONSISTENT WITH THEIR "REVOLUTIONARY" NEEDS IN THE YEARS AHEAD. (BONUS: THIS IS ALSO THE #1 MID- TO LONG-TERM GROWTH AND PROFIT MAXIMIZATION STRATEGY!)

JOY, INC.
JOY IS THE CORE BELIEF
OF OUR WORKPLACE

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

PEOPLE (REALLY) FIRST/E-CUBED/EEE
EXTREME EMPLOYEE ENGAGEMENT

EEE/Extreme Employee Engagement maximizes the quality of customer engagement.
EEE maximizes customer retention.
EEE turns "customers" into "fans."
EEE makes it safe to take risks and make mistakes—which in turn generates and maximizes innovation at all levels of the organization.
EEE underpins and spurs teamwork.
EEE reduces friction and enhances co-operation which dramatically improves all-important cross-functional communication and innovation associated therewith.
EEE improves the quality of joint ventures.
EEE enhances co-operation and communication which in turn increases productivity and quality.
EEE dramatically improves execution.
EEE is the best defense against the AI tsunami—and by and large makes AI a partner/ally rather than enemy.
EEE spurs the humanization of everything—which is not readily copy-able by AI in the foreseeable future.
EEE reduces turnover and stabilizes the work force.
EEE makes it possible to recruit top talent.
EEE means top employees are far more likely to stay with the organization.
EEE improves the reputation of the company as viewed by all stakeholders.
EEE improves community relations.

EEE is a contribution to humanity.
EEE makes coming to work a pleasure—not a pain.

HIRING: "SOFT" SKILLS & EQ FIRST
100 PERCENT OF JOBS

"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 every one of them has 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." (emphasis added)
—Peter Miller, CEO of the pharmaceutical company Optinose

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

"We look for . . . listening, caring, smiling, saying 'Thank you,' being warm." (emphasis added)
—Colleen Barrett, former president, Southwest Airlines, on SWA's hiring policy, which holds for pilots as much as, say, flight attendants or gate personnel, and which is indisputably Key #1 to SWA's sustained extraordinary performance.

"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." (emphasis added)
—Legendary football coach Bo Schembechler, on character

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

TURNOVER:
50–77 PERCENT TO 1.7 PERCENT*
(*!!!)

"At the Penn Center for Community Health Workers, we developed an innovative approach to hiring community health workers. It has resulted in a turnover of 1.7% compared with an industry standard of 50%–77% per year. And the people we hired produce results: multiple randomized controlled trials demonstrated that our CHWs have helped improve health and quality while reducing hospital days by 65%.

"What helps people become and stay healthy? . . . We asked thousands of high-risk patients and made a list of barriers patients were facing. We brainstormed potential solutions, then listed the attributes that a worker would need. . . . Attributes like community membership, a service orientation, altruism, and empathy rose to the top of our list. Just as important were the attributes that, surprisingly, were missing from our list—college and graduate degrees, or even previous clinical training. . . . Resumes, diplomas, and training certificates are commonly evaluated credentials healthcare organizations use to assess candidates. . . . They shed little light on personality traits or attitudes." (emphasis added)
—Elena Butler and Shreya Kangovi, MD, "Health Care Providers Are Hiring the Wrong People," *Harvard Business Review*

GOOGLE GETS A (BIG, SOFT) SURPRISE

"**Project Oxygen [data from founding in 1998 to 2013] shocked everyone by concluding that, among the eight most important qualities of Google's top employees, STEM [Science, Technology, Engineering, and Mathematics] expertise comes in dead last. The seven top characteristics of success at Google are all soft skills:** being a good coach; communicating and listening well; possessing insights into others (including others' different values and points of view); having empathy toward and being supportive of one's colleagues; being a good critical thinker and problem solver; and being able to make connections across complex ideas. Those traits sound more like what one gets as an English or theater major than as a programmer. . . .

"**Project Aristotle** [2017] . . . further supports the importance of soft skills even in high-tech environments. Project Aristotle analyzes data on inventive and productive teams. Google takes pride in its A-teams, assembled with top scientists, each with the most

specialized knowledge and able to throw down one cutting-edge idea after another. **Its data analysis revealed, however, that the company's most important and productive ideas come from B-teams comprised of employees that don't always have to be the smartest people in the room.** Project Aristotle shows that that the best teams at Google exhibit a range of soft skills: equality, generosity, curiosity toward the ideas of your teammates, empathy and emotional intelligence. And topping the list: emotional safety. No bullying. . . .

"Or take [tech] billionaire venture capitalist and 'Shark Tank' TV personality Mark Cuban: He looks for philosophy majors when he's investing in sharks most likely to succeed." (emphasis added)
—Valerie Strauss, "The surprising thing Google learned about its employees—and what it means for today's students" (*Washington Post*, 20 December 2017)

(Please read … about 20 times/Google: "SOFT" skills rule!)

SOFT . . . HARD
ALL HAIL THE LIBERAL ARTS

AT GRADUATION: Business and professional degree holders in general (MBAs, engineers, lawyers, etc.) have higher interview and hire rates, and higher starting salaries, than new liberal arts grads.

TWENTY YEARS LATER: Liberal arts grads have risen farther than their biz-professional degree holder peers. At one giant tech firm, 43 percent of liberal arts grads had made it to upper-middle management compared with 32 percent of engineering grads. At one giant financial services firm, 60 percent of the worst managers, according to company evaluations, had MBAs, while 60 percent of the best had only BAs.
—Derived from Henry Mintzberg, *Managers Not MBAs: A Hard Look at the Soft Practice of Managing and Management Development*

At a seminar in 1999, the moderator asked Peter Drucker—generally considered the father of modern management thinking—what he thought was his "most important contribution" to the field of management. Drucker replied:

"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." (emphasis added)

(My [don't-hold-your-breath] dream: The MBA/Master of Business *Administration* becomes the MBA/Master of Business *Arts*)

SOFT…HARD
STEM-IS-ALL CHALLENGED

Out of the blue, a deluge of "STEM is not enough" books popped up. E.g. . . .

The Fuzzy and the Techie: Why the Liberal Arts Will Rule the Digital World,
by Scott Hartley
You Can Do Anything: The Surprising Power of a "Useless" Liberal Arts Education, by
George Anders
Sensemaking: The Power of the Humanities in the Age of the Algorithm, by Christian
Madsbjerg
Range: Why Generalists Triumph in a Specialized World, by David Epstein

EXCELLENCE
MY LIFE 1982–2020 IN SIX WORDS

"Hard is Soft. Soft is Hard."

Hard (plans/org charts/numbers) is Soft: Plans are often fantasies, org charts have little to do with the way the organization actually works, numbers are readily manipulated—case in point, "quants" and ratings-agency staffers cleverly packaged and evaluated "derivatives" of valueless mortgages, thus spurring the multi-trillion-dollar financial crash of 2007-2008++.

Soft (people/relationships/culture) is Hard: I.e., success that lasts is built on the likes of rock-solid relationships developed and maintained via enormous investments of time, energy and care—and a robust staff-development strategy and unshakable corporate culture that supports and rewards such painstaking, sustained activities.

(This was the heart of *In Search of Excellence*. This is the heart of my work today. And I remain gobsmacked—*and distressed*—that I have been so unsuccessful in "selling" this concept of the corporation and leadership thereof. It took warfare with McKinsey's grandees in 1980 to put this at the center of our then-in-diapers "excellence" work. And since then, my "Hard is soft . . ." guns have blazed in 3,000 speeches and 18 books in 67 countries. Some, indeed, have bought in to my work and that of other like souls such as Charles Handy, Henry Mintzberg, and Amy Edmondson. But the road ahead is still a long one—and, I believe, the "hard is soft/soft is hard"

dictum is more important than ever amidst 2020's unprecedented turmoil. E.g., see the extraordinary Blue Mountain Community College COVID-19 message to employees.)

"SOFT" = "HARD"
RELATIONSHIPS = EVERYTHING

"Personal relationships are the fertile soil from which <u>all</u> advancement, <u>all</u> success, <u>all</u> achievement in real life grow."
—Ben Stein, investment guru

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

I HONESTLY BELIEVE
THEY THINK IT'S BENEATH THEM

"When I was in medical school, I spent hundreds of hours looking into a microscope—a skill I never needed to know or ever use. <u>Yet I didn't have a single class that taught me communication or teamwork skills—something I need every day I walk into the hospital.</u>" (emphasis added)
 —Peter Pronovost, *Safe Patients, Smart Hospitals*

(Dr. Pronovost, who ran Johns Hopkins' ICU, brought checklists into healthcare—and has been responsible for saving tens of thousands of lives. [*FYI: Professional schools in general—e.g., medicine, engineering, business—have a wretched track record when it comes to attention to the "soft stuff." Addressing that deficit of epic proportion is a top life goal for me—progress, alas, lies in the "snail's path" range]*)

"As I sat there listening to one presentation after another highlighting the remarkable and unorthodox activities [people-first dogma, leadership style, communal culture, etc.] that have made this organization so healthy, I leaned over and asked the CEO, 'Why in the world don't your competitors do any of this?' After a few seconds he whispered, '<u>I honestly believe they think it's beneath them.</u>'" (emphasis added)
—Patrick Lencioni, *The Advantage: Why Organizational Health Trumps Everything Else in Business*

DCSCPHOSCPFGPMWLBB
(OFPD)

Confession. I hate the term "HR." On 7 November 1942, my father entered the delivery room to get his first peek at me, newly arrived. My mother smiled up at my dad and said (I was first born), "Look, Frank, finally, our own little human resource."

I am Tom Peters. I am NOT a "Human resource." You (reader) are Sarah Elizabeth Anderson, not a "human resource."

"HR" is . . . contemptible, disgusting, demeaning, *and* self –defeating. Label me and treat me like a "human resource," and I will reward you with mechanistic disengagement.

What's the alternative?

Simple: **DCSCPHOSCPFGPMWLBB**

Department in Charge of SERIOUSLY COOL PEOPLE Helping Other SERIOUSLY COOL PEOPLE Flourish and Grow and Prosper to Make the World a Little Bit Better

Okay? My Twitter Family gave this a hearty thumbs up, with about a jillion retweets.

(I'll give you a break. A shorter version is:
OFPD: Our Fabulous People Department

THE SPEED TRAP: S-L-O-W D-O-W-N

These are crazy times/There's a "disruption"-a-day.
Pant. Pant. Pant.
Speed is the key to personal success.
Speed is the key to enterprise success.
Speed. Speed. More speed . . .

So speed is the key to all good things circa 2020????
Hold on . . .

Below is a partial list of strategic activities—that underpin both personal and organizational success and Excellence—<u>which cannot be accomplished in a flash (or, for that matter, 100 flashes)</u>:

*BUILDING/MAINTAINING RELATIONSHIPS . . . takes (lots and lots . . . and lots of!!!!!) time.
*RECRUITING ALLIES TO YOUR CAUSE . . . takes (lots of) time.
*BUILDING/MAINTAINING A HIGH-PERFORMANCE CULTURE . . .
 takes (lots and lots of) time.
*READING/STUDYING . . . takes (lots of) time.
*"FIERCE"/"AGGRESSIVE" LISTENING . . . takes (lots of!!) time.
*MBWA/MANAGING BY WANDERING AROUND . . . takes (lots of!!) time.
*SLACK IN YOUR SCHEDULE . . . takes time.
*HIRING/EVALUATING/PROMOTING . . . takes (lots of!!) time.
*THOUGHTFULNESS/COLLECTIVE INSTINCTIVE SMALL GESTURES
 (SMALL>>BIG) . . . take (lots of!) time.
*EXTREME HUMANIZATION /EMOTIONALLY CONNECTIVE DESIGN
 … takes (lots and lots of) time.
*YOUR NEXT (EXCELLENT!) EMAIL . . . (should) take (lots of) time.
*THE "LAST 1 PERCENT" OF ANY TASK OR PROJECT . . . takes time.
*E-X-C-E-L-L-E-N-C-E . . . takes (lots and lots of) time.

PEOPLE FIRST/A PEERLESS LEGACY

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

We don't say, 'The thing about Joe was he was rich!'
<u>We say, if we can . . . 'The thing about Joe was he took good care of people.'</u>" (emphasis added)
—Peggy Noonan, "A Life's Lesson," on the life and legacy of journalist Tim Russert (*Wall Street Journal*)

"RESUME VIRTUES" VERSUS "EULOGY VIRTUES"

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

SUMMARY/EXCELLENCE 2020: THE 27 "NUMBER ONES"

1. Capital Investment #1: TRAINING. TRAINING. TRAINING.
2. Moral Obligation #1: PREPARE EMPLOYEES FOR A ROCKY FUTURE
3. Obsession #1: EXECUTION IS THE "LAST 95 PERCENT"
4. Job #1: ESTABLISH A "PEOPLE (REALLY) FIRST" CULTURE
5. Calling #1: LEADING=MAXIMIZING HUMAN POTENTIAL
6. Asset #1: FULL PORTFOLIO OF FIRST-LINE MANAGERS
7. Hiring Requirement #1: HIRE FOR EQ/EMPATHY/"SOFT" SKILLS
8. Core Value #1: LISTENING EXCELLENCE
9. Community Obligation #1: EXTREME SUSTAINABILITY PRACTICES
10. State of Mind #1: ORGANIZATIONS AS VIBRANT COMMUNITIES
11. Value-Added Strategy #1: DESIGN/EXTREME HUMANIZATION
12. Value-Added Tiny Tactic #1: TGR=THINGS GONE RIGHT/SMALL>>BIG
13. Value-Added Success Credo #1: BETTER BEFORE CHEAPER
14. Leadership Team "Must" #1: PUT WOMEN IN CHARGE
15. Business Development Opportunity #1: WOMEN BUY EVERYTHING
16. Missed Market Opportunity #1: OLDIES HAVE A-L-L THE MONEY
17. Economic Cornerstone #1: SMALL- AND MEDIUM-SIZE ENTERPRISES
18. Innovation Strategy #1: WHOEVER TRIES THE MOST STUFF WINS
19. Daily Strategic Activity #1: MANAGING BY WANDERING AROUND
20. Time Management Must #1: SLOW DOWN/50 PERCENT UNSCHEDULED TIME
21. Hallmark #1: CULTURE MANAGEMENT/ONE MINUTE AT A TIME
22. Power Word #1: ACKNOWLEDGEMENT (AND "THANK YOU")
23. Personal Habit #1: READ. READ. READ.
24. Toughest Task #1: SELF-MANAGEMENT
25. Commandment #1: EXCELLENCE IS THE NEXT FIVE MINUTES
26. Axiom #1: HARD(NUMBERS+) IS SOFT. SOFT(CULTURE+) IS HARD.
27. Reflection #1: FOCUS ON "EULOGY VIRTUES"

APPENDIX
INVESTING IN PEOPLE/INVESTING
FOR THE LONG TERM PAYS OFF

"Seeking to quantify the effects of short-termism at the company level and to assess its cumulative impact on the nation's economy, we tracked data on 615 nonfinancial U.S. companies from 2001 to 2014 (representing 60% to 65% of total U.S. market cap). We used several standard metrics as proxies for long-term behavior, including the ratio of capital expenditures to depreciation (a measure of investment), accruals as a share of revenue (an indicator of earnings quality), and margin growth. To ensure valid results and avoid bias in our sample, we compared companies only to industry peers with similar opportunity sets and market conditions. **Adjusting for company size and industry, we identified 167 companies (about 27% of the total set) that had a long-term orientation** . . .

"2001-2014: 167 Long-term Investors vs. All Others

Average Company Revenue: +47%
Average Company Earnings: +36%
Average Company Economic Profit: +81%
Average Market Capitalization: +58%
Average Job Creation: +132%" (emphasis added)

—Dominic Barton (Managing Director/McKinsey), James Manvika, Sarah Keohane Williamson, "The Data: Where Long-Termism Pays Off" (*Harvard Business Review)*

The average reader of this paper is not a big-company CEO. So why this analysis as an Appendix? The body of the paper is: A-L-L A-B-O-U-T P-E-O-P-L-E. Here I look at the highest level of analysis, and the authors, as credentialed a group as you could find, find overwhelming evidence that investing for the long-term—investing in people—pays. Pays "big time." And in particular, review the last statistic: long-termers are the All Stars in . . . JOB CREATION!