

# FOCUSING ON WHAT MATTERS

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## Key Insights You Can Execute On July, 2013

- Results come from:
  - The leader
  - Strategy, plans, execution (having a great culture is a strategy!)
  - The leadership team
  - Monitoring results
- Purpose of strategy:
  - Win customer preference
  - Create a sustainable competitive advantage
  - Leave enough money on the table for shareholders (Ram Charan, Larry Bossidy)



## Thoughts on Great Workplaces

### **Donald Rumsfeld, Rumsfeld's Rules, Broadside Books**

The most motivated employees believe in the why of what they are doing. Finding that noble nugget at the core of your enterprise is a sure way to inspire employees to want to do their best and in so doing, help their organizations achieve success.

The lesson is that every organization is in some sense, a family. A company that has a zero sum competition among employees, where one person's success is seen as diminishing another's, isn't an environment that people enjoy. A healthy corporate culture is one in which colleagues look out for each other and elevate the interest of the team above the individual, where they channel their individual talents into the service of the group's broader goal. They understand that their success is linked to the organization's success. Work to make yours an organization in which people don't feel left behind, one in which there is camaraderie and a sense of team at all levels.

## **Creating the Best Workplace on Earth**

Rob Goffee and Gareth Jones, Harvard Business Review, May 2013; The "Dream Company" Diagnostic

In this article, the authors identify six areas to evaluate in your organization. The more you can check yes to, the better workplace you have. Following are the six broad categories, for which more specifics are provided in the article:

- Let me be myself
- Tell me what's really going on
- Discover and magnify my strengths
- Make me proud I work here
- Make my work meaningful
- Don't hinder me with stupid rules



### **Apple**

Have you noticed Apple's recent ads? Following is one I noticed recently. Do you think this is a noble nugget that Donald Rumsfeld is referring to? What is yours? How often do you have conversations about it at your organization?

This is it. This is what matters. The experience of a product. How it makes someone feel. When you start by

imagining what that might look like, you step back. You think.

Who will this help? Will it make life better? Does this deserve to exist? If you are busy making everything, how can you perfect anything?

We don't believe in coincidence. Or dumb luck. There are a thousand "no's" for every "yes." We spend a lot of time on a few great things. Until every idea we touch enhances each life it touches.

We're engineers and artists. Craftsmen and inventors. We sign our work. You may rarely look at it. But you'll always feel it. This is our signature. And it means everything. Designed by Apple in California

### **Lessons from Leaders**

#### **J.W. Marriott, Jr.; The New York Times, Sunday, May 26, 2013**

The four most important words in the English language are, "What do you think?" Listen to your people and learn. Note – this one is worth money – see below!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!



**How CarMax Cares**  
**Fortune, April 8, 2013**

(CarMax is # 279 on the Fortune 500 and 74 on Fortune's Best Companies to Work For list)

Tom Folliard, CEO built a strong culture by listening. An employee told him the company should siphon gas. Car Max now sucks tens of thousands of gallons of gas from the wholesale cars it buys each year and transfers it to the tanks destined for its retail vehicles. The move has saved the company more than a half a million dollars.

"If you take care of your associates, they'll take care of your customers, and the rest will take care of itself."  
Tom Folliard, CEO

**Paulett Eberhart, president and C.E.O of CDI; The New York Times, Sunday, June 9, 2013**

I tell my people that I expect them to be very honest, brutally honest with me, but in a respectful way.....So you can't just tell me once and assume I grasp it.

You have to be accountable for your actions. ... People have to be able to count on you to deliver on what you committed to deliver, whatever that is.

People don't spend enough time communicating. People love to know what's going on, and you've got to keep communicating day in and day out. Sometimes I'll think, I've said this so many times-surely people would get it. But then you'll go into a meeting and you'll think, wow, O.K., they don't get it yet, so we've got to continue reinforcing it.



**Jim Koch, Founder and Chairman, the Boston Beer Co.**

- Know the market – Is your product better or cheaper than the alternatives? If it's not better or cheaper than what is already out there, you don't have a real business to build on.
- Don't hire people unless they raise the average – You don't want someone who's just good enough for the job. You want to raise the average.
- Learn to fail quickly - We've had dozens of beers that were commercially unsuccessful. Minimize the damage, know when to pull the plug, and move on.

Samuel Adam's Beer  
Revolutionary; Fortune, April 8, 2013



## **Your Brain at Work**

By Adam Waytz and Malia Mason;  
Harvard Business Review; July-August  
2013

This article has relevant and useful insights about what is happening in the mind during knowledge work, such as creative thinking, decision making and multi tasking. Following are some crucial insights:

1. Innovation – the default network of our brain is fired up when we are not focusing on a task. This area provides us the capacity to envision, put us in someone else's shoes, etc. Having free unfocused time is an important factor in break through innovation. An example is Google's 20% policy – Google engineers get a day a week to work on whatever they want.
2. Reward and incentive structures
  - a. a fair environment is a reward to people regardless of their standing
  - b. anticipation of learning – curiosity is literally its own reward
  - c. provide staff challenging problems
  - d. provide plenty of social approval

3. Out executing the competition through focus – limit the number of strategic initiatives – asking people to pursue numerous goals fragments their attention and makes engagement in any mindful work difficult. The more leaders ask their workers to focus on, the worse their employees will perform.



## **Sustainable Competitive Advantage**

**Transient Advantage, by Rita Gunther McGrath; Harvard Business Review – June, 2013**

According to this author, to stay ahead, organizations need to constantly start new strategic initiatives, building and exploiting many transient competitive advantages at once. Organizations who do this are more fluid, more customer centric and less industry bound. To determine if some of your competitive advantages are at risk, ask yourself if these statements are true: (not all questions are listed here)

- I don't buy my companies products or services.

- We are investing at higher levels and not getting better margins or growth in return.
- Customers are finding cheaper or simpler solutions to be “good enough.”
- Competition is emerging from places we didn’t expect.
- Customers are no longer excited about what we have to offer.
- We’re not considered a top place to work by the people we’d like to hire.

Some insight and recommendations from the article:

1. Focus on experiences and solutions to problems – “What customers crave... are well designed experiences and complete solutions to their problems.” Companies skilled at exploiting transient advantage put themselves in their customers’ place and consider the outcome customers are trying to achieve.
2. Build strong relationships and networks.
3. Get systematic about early – stage innovation.
4. Leadership as orchestration
  - a. initiates conversations that question, rather than reinforce the status quo
  - b. seeks contrasting opinions and honest disagreement
5. Strategy
  - a. requires making tough choices about what to do and what not to do
  - b. defines where you want to compete
  - c. defines how you intend to win

d. defines how you are going to move from advantage to advantage

**Leadership Advisory Services assists leaders in:**

- **Capturing opportunities**
- **Executing well**
- **Effecting sustainable change**
- **Solving problems**

See what our clients think at [www.leadershipadvisory.net](http://www.leadershipadvisory.net).

**I greatly appreciate introductions to leaders who are serious about getting results and would value my counsel. Thank you!**



**Tony Chivinski**