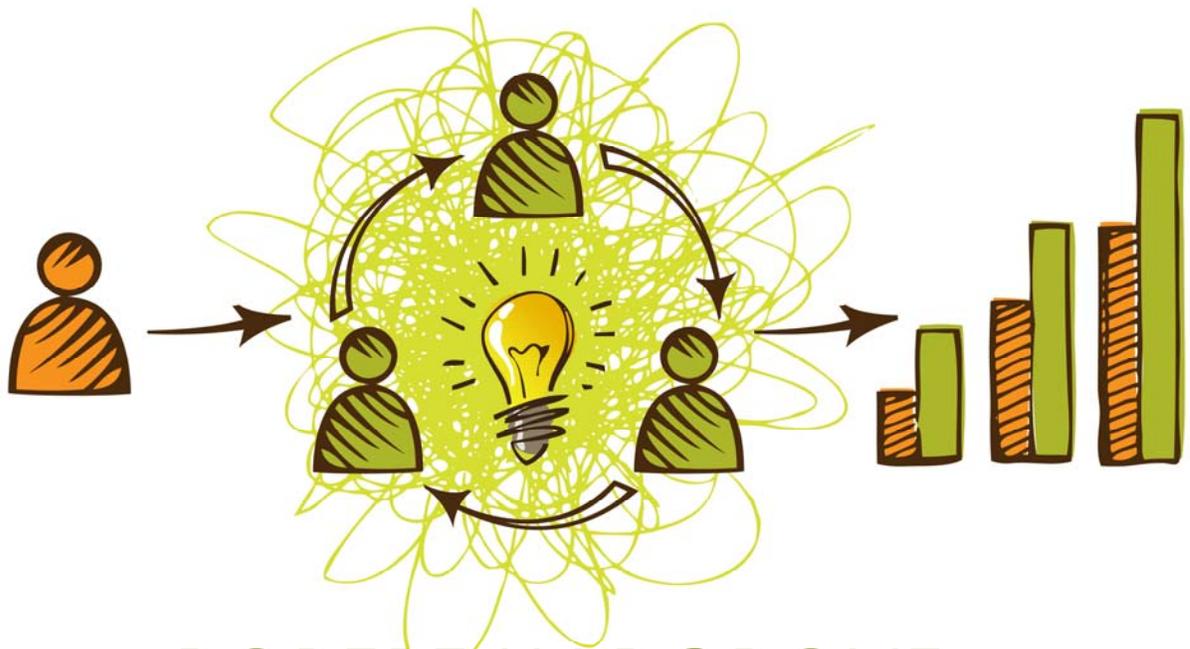


# ARE YOU A MULTIPLIER OR A DIMINISHER?



ROBERT HARGROVE

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## **Are You Diminisher or a Multiplier?**

I have always been extremely curious about how a leader creates a high growth business, either from the start or by taking an existing business to the next level. Engaged in this inquiry, I studied everything written on the subject by thought leaders all over the world. I also researched the highest performing companies on the New York Stock Exchange over the past decade. I gained many insights from this study and saw that there were certain multipliers that a leader could leverage to create a high growth company. The multipliers, if embraced in part or in total, represent a total shift in mindset, one that could truly take your business to a different place.

The multiplier that I would like to address here occurred to me when I read a quote from Jeff Bezos, founder of Amazon.com, who said that the secret of his success was to “*be different and think different.*” That is to say, *who you are as a leader, manager, or even human being* may be intimately linked to your ability to create a high growth company. Thus, this ebook is designed so you can take stock of the leadership strengths you have that will help you in this regard, as well as to consider the aspects of your leadership style that may get you in trouble.

*My research shows that entrepreneurs who take companies from zero to a billion in a flash and leave are multipliers par excellence.*

As we all know, Steve Jobs started Apple in the garage, introduced the Mac and reached a billion within twelve months. Then after a decade hiatus he came back for a great second, third, and even fourth act. In 2003, Apple introduced the iPod along with the iTunes store, revolutionizing portable entertainment, creating a new market, and transforming the company. In just three years, the iPod/iTunes combination became a nearly \$10 billion product, accounting for almost 50 percent of Apple's revenue. Apple's market capitalization catapulted from around \$1 billion in early 2003 to over \$150 billion by late 2007, and that's just where the story of the iPhone and iPad starts off.

Another good example of a being a multiplier is Mark Zuckerberg, founder of Facebook. He started Facebook in his college dorm room with nothing more than the concept that people like to share their life experiences with friends. Facebook grew from a handful of members to the rage across college campuses in the United States. Today, it has over 750 million users world-wide and enormous advertising revenues. Zuckerberg now proclaims that he has established a new metric of success, one where he wants to see a multiplier effects. The metric is not how many people sign up for Facebook, it's the quantity and quality of the interactions they have. As of this writing, Facebook is forming a joint venture with Skype to help people in groups to use the site to have meaningful conversations.

Steve Jobs and Mark Zuckerberg may sound like cosmic examples of multipliers to the average reader, and as a result, not that meaningful, so if you are looking for examples you can relate to, how about tapping into your own experi-

ence and listing a few of your own favorite high growth companies. One of my favorites is Gary Vaynerchuk who grew up in his family's wine business. He was the favorite son that did what his dad told him, until one day he decided to turn his smart phone video camera on himself, and created something called *The Wine Library*. He created over 1000 videos where he talked to people about wine and used social networking sites like Twitter, Facebook, and Tumblr to get his message out there. The family wine business went from 3 million in sales to 45 million in 2005.

As an executive coach, I have found that questions can be more empowering than answers. So the first question I am going to ask you in this ebook is "Are you a multiplier?" or "Are you a DIMINISHER?" You can put a billion dollar idea in the hands of a diminisher who by luck has come up with a great business model and you can surround him with the best talent on earth and even take the company through a couple of rounds of venture capital, yet by the end of the day (let's say three years later), he will probably wind up with less than what he started with. A decade later, he may even be bankrupt. His talent and customers will defect at the first chance they get. And those that work for him will look back at their experience as "the job from hell."

### **ARE YOU A MULTIPLIER?**

By contrast, if you take a billion dollar idea and put it into the hands of a MULTIPLIER, with a so-so business model, and with a staff of just your average Joes, at the end of the day (or decade), she will have created something really extraordinary. The multiplier will come up with game-changing products, the business will wind up growing exponentially, both in terms of revenue and staff, and there will be hordes of customers who are raving fans. Further, the people who work in the company will look at their time there as "the ultimate personal growth and development experience."

**Let me ask you again: *Are you a multiplier or diminisher?*** If you aren't sure, let me ask you a few questions which are designed to make you think, rather than to have you come up with the right answers.

- ◆ *Do you regularly travel outside your industry to find new ideas, fresh approaches, innovative solutions?*
- ◆ *Are you recognizing the exciting new possibilities presented for building a billion dollar business before they become obvious?*
- ◆ *Are you able to take an innovative business concept or game-changing product or service and turn it into a jam packed parking lot?*
- ◆ *Do you make everyone around you feel smarter and more capable? Have you given up the need to be the “smartest guy in the room”?*
- ◆ *Are you able to take a roster of talented people and make them capable of joint performance so that they accomplish things they could never reach individually?*
- ◆ *Do people say you were the best boss they ever had, and that working for you was their ultimate self-development and growth experience?*
- ◆ *Have you demonstrated the capacity to take your start-up capital and multiply it by a factor of 10X, 100X, 1000X, or more?*

Yet having said that, if the goal is at least in part to figure out *who you need to BE* and *what you need to Do* to be a multiplier who can grow a business by leaps and bounds, then coming up with the distinguishing characteristics of the multipliers is a useful exercise. We are about to introduce you to the seven dis-

tinguishing characteristics of a multiplier that we have come up with after exhaustive research on the CEOs of high growth companies.

As you read through this ebook, keep asking yourself the question, “Am I a multiplier or am I a diminisher?” I have found that there is a way of enquiring, of engaging in questions that is actually transformative with respect to the questioner. I call that way of inquiring transformation. If your goal is ultimately to grow your business by transforming it, than you might have to transform something about yourself first. If this is something you are interested in, that is what’s at stake for you in reading this chapter.

What you will discover as you read through the list of the seven characteristics is that the way of being of a multiplier produces certain thinking patterns and behaviors. We also discovered that anyone who engages in these thinking patterns and behaviors can use entrepreneurial innovation to start new high-growth businesses, either from the ground up or within an existing business.

We learned that business people who re-create the way of being, thinking, and behavior of the multipliers can come up with innovative business concepts, create rapid prototypes of exciting new products and services, develop breakthrough advertising campaigns, as well as be more effective at sales.

## **THE SEVEN CHARACTERISTICS OF MULTIPLIERS**

- 1. Iconoclasts**  
*They stay on track with their own true north*
- 2. Entrepreneurial Passion**  
*They cash in on your passion, build a personal brand*
- 3. Strategic**  
*They have the desire for dominance*
- 4. Innovator's DNA**  
*They use irregular warfare*
- 5. Marketing Mavens**  
*They use evolutionary and subversive tactics in their marketing*
- 6. Get More Done Faster**  
*They are "monsters of execution"*
- 7. Make Others Feel Smarter and More Capable**  
*They never belittle*

*“How badly do you want to crush it? Is it an all-consuming feeling? Do you stay awake all night, your brain swimming with ideas and dreams? Are you willing to do whatever it takes to live entirely on your own terms?”*

*- Gary Vaynerchuk, Author of “Crush It”*

## **1. THE MULTIPLIER IS AN ICONOCLAST**

Why is it that legendary business CEOs—like Bill Gates, Steve Jobs, and Richard Branson—all dropped out of college? Why is it that Sumner Redstone (Viacom), Michael Dell (Dell Computer), and Jack Ma (Alibaba Group) are not only entrepreneurs who revolutionized their industry, but had they decided to work for a large corporation, would probably have been fired for being a pain in the ass? Why is it that people who are multipliers, though highly successful in business, often don't think of themselves as business people and spend a good chunk of their lives trying to do something to change the world?

If there was one word that comes close to answering these questions, it is that multipliers are Iconoclasts, a word which on the surface means *bright*, *skillful* and *unusual*. However, we can better understand the concept from the words of William James, the great America educator, who said that were two kinds of people: the “once-born” and the “twice-born.” Once-born people do not stray far from the familiar territory of who they think they are and what they think is expected of them. If fate pushes them to the edge of Dante's famous dark woods “where the straightway is lost,” they turn back.

They draw their identity from *the outside in* and follow the prescribed road to success: go to a brand name college, work in a brand name company, and

strive to have a brand name title like VP of (Big Co) on their business card. Their goal is to please their parents, make sure the boss doesn't yell at them, deliver on predictable goals as promised, and occasionally deliver incremental improvement. Their playbook tells them they will get ahead, and maybe even get rich, if they look good, play it safe, and conform.

Twice-born people pay attention when the soul pokes its head through the clouds of a half-lived life. Whether through choice or calamity, the twice-born person goes into the woods, loses the straightway, but in the process, discovers a path to a more genuine and radiant life. There are many great entrepreneurs, scientists, and artists whose journey from the once born to the twice born starts when they reach a crossroads where the old ways of doing things are no longer working and a better way appears to them somewhere at the far edge of the woods. People like Sir Isaac Newton, Picasso, Steve Jobs may have been afraid to step into those woods, but they were even more afraid to turn back. Something inside them urged them on. As Chris McCandless (aka Alexander Supertramp) said as he left Fairbanks Alaska, leaving civilization behind him, "And now I walk into the wild."

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*"I took the road less travelled and that has made all the difference." Robert Frost.*

The twice-born are people who draw their identity from inside out—from dreams, passion, interests, and from the self expressing itself. Where others take the often travelled road to success, "Son, become a doctor, lawyer, or accountant," they take the road less travelled and literally have to (create) invent their own way to succeed. For me, being an Iconoclast starts with saying to myself and the rest of the world (to paraphrase Jon Krakauer, author of

*Into Thin Air: This is the way I've go to live. I am going to do it, and I don't care if I turn out to be president, a billionaire entrepreneur, artist or someone who is ostracized, poor and has to sleep in the dirt.*" The twice-born person often sets impossible goals and is ready to eat radical change for breakfast.

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*"The best decision I ever made was to I drop out of college. I dropped out, but dropped in. I stopped taking the required courses and started taking the ones that really interested me."* -Steve Jobs

*Eikonoklastēs*, the ancestor of our word, was first formed in Medieval Greek from the elements *eikōn*, "image, likeness," and *-klastēs*, "breaker," from *klān*, "to break." The original iconoclasts destroyed countless works of art. The modern term iconoclasts has come to mean one who is not only bright, skillful, or unusual, but who has original ideas and who uses them to attack and seek to overthrow traditional or popular ideas and institutions.

Think Reverend Archbishop Desmond Tutu who took up the cause of ending Apartheid in South Africa calling for sanctions as far back as 1979. Think Warren Buffet with his contrarian investing strategy. Think Herb Kelleher of Southwest Airline and his vision of the "people's airline," one that grandma and granddad could afford to buy a ticket on to go see their grandson's or granddaughter's graduation. Perhaps the reason why the multipliers are so successful in politics, business, or the arts is that, while their ideas might challenge the status quo, they make so much intuitive sense.

## Three Iconoclasts

**Steve Jobs.** Most people tend to think that Steve Jobs was born rich and went to the best schools like Stanford and got VC funding to start Apple. Actually Steve Jobs dropped out of Reed College because he was unclear of his direction and thought he was wasting his working-class parent's money. In his own words, "It wasn't all romantic. I didn't have a dorm room, so I slept on the floor in friends' rooms. I returned coke bottles for the 5¢ deposits to buy food with, and I would walk the 7 miles across town every Sunday night to get one good meal a week at the Hare Krishna temple. I loved it."

Jobs dropped out, but dropped in on classes that interested him, computers, calligraphy, and so on. "I was lucky I found what I loved to do early in life." Jobs believes that to be successful you need to have the courage to follow your personal DNA code, another words, your passions, talents, and interests. You have to trust in something — your gut, destiny, life, karma, whatever. According to Jobs, "This approach has never let me down, and it has made all the difference in my life." (Stanford commencement address).

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*"I've never seen myself as a business person or been motivated by making lots of money. I want to create things I am proud of." -Richard Branson*

**Richard Branson.** When Richard Branson was a teen, the headmaster of his school told him he was either going to be a billionaire or wind up behind bars. He dropped out of school at 15 and started a student newspaper to protest the Vietnam War, where he interviewed the likes of John Paul Sartre and James Baldwin. At 16 years old, while sitting around in a basement in London with

friends, Branson asked what would be a good name for a record company. One friend said with a sly smile, “Well, we’re all virgins here, why not call it that?” He had a tape of Mike Oldfield called Tubular Bells which none of the big labels would release. It was the first album released by Virgin Records and an early cornerstone to the company’s success. Later when travelling on different airlines for Virgin Records tours, he was disgusted with the delays, nasty flight attendants, uncomfortable seats, and the tiny chunk of chicken dropped onto his tray table. This gave him the idea, “What if we started an airline that provided a good alternative to this?” Since then, Branson, who is one of the most successful entrepreneurs in the world, started over 200 companies under the Virgin brand name, many of which were aimed at taking down a bully in an industry by providing a better alternative.

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*“I don’t want to think about how many people have thought or still think that I’m crazy.” -Dean Kamen, CEO DEKA, Inventor of the Segway, IBOT, and Slingshot*

**Dean Kamen.** Another good example of an iconoclast multiplier is Dean Kamen, CEO of DEKA and inventor of the Segway and many other innovations. Kamen who has a bit of a smart-ass personality was described by his father, a Mad Magazine artist, as a “human irritant” Like many of the other multipliers, Kamen refused to go to classes at Worcester Polytechnic, but hung around paying full tuition and taking the electives he wanted. He told the Dean, “*I can pay you this tuition and avail myself of this extraordinary faculty as consultants, but I’m not going to waste my time in class because the opportunity costs would be too high.*” His passion behind this bravado was to make a difference in the world through science and technology. Before getting out of school, Kamen

invented a breakthrough product designed to help deliver insulin to diabetic patients and made \$30 million in royalties from it. He followed with other inventions, including the Segway, the IBOT (a wheel chair that climbs up stairs), the Luke Arm (a brain controlled prosthetic limb). He has also developed a device called the Slingshot designed to deliver “point of use” water and electrical power that has the possibility of changing the lives of tens of millions of people in third world countries who don’t have access to clean water or electricity.

### **Questions to Shift Thinking and Behavior**

- ◆ *Is there an iconoclast in you struggling to get out?*
- ◆ *Are you ready to take the road less travelled?*
- ◆ *Are you ready to drop out of school, a job, the prescribed way in order to drop in on what really interests you?*
- ◆ *Are you ready to give up looking good, playing it safe, conforming?*
- ◆ *Is there anything that qualifies you as a malcontent, contrarian, or smart-ass?*
- ◆ *Are you ready to stand up to bullies in your industry, company, or circle?*
- ◆ *Do you have a business idea that provides a much better alternative?*

*Multipliers are usually serial entrepreneurs who find a way to cash in on their passions.*

## **2. THE MULTIPLIER IS ENTREPRENEURIAL**

Being a multiplier starts with being an iconoclast who follows your own passion, which then leads naturally to becoming an entrepreneur, which is about doing what you love to earn a living and finding a way to monetize your passions. We happen to live in an age where anyone with enough dreams, hustle, and patience has the potential to create a high-growth company. The internet has changed everything, allowing tiny upstart companies with an innovative business concept to topple industry giants. It doesn't matter whether your passion is something cool like the iPhone, Facebook, or Tumblr, or something mundane like shoes, pizza, or car parts. It used to be that to market your business idea, you had to advertise in the newspaper, or on billboards or buses, which was very expensive for a low return. Today, you can use social media for free.

It's never a bad time to start a business (or grow an existing one), unless you are starting a mediocre business. The 10 Multipliers of a High Growth business that I will be articulating in this book are designed to help you to either create a high growth business from the start or to take an existing business that has plateaued and grow it exponentially. I would almost be willing to bet you cold hard cash that, if you take the list of 10 Multipliers and incorporate four or five of them into your business, within two to three years, your business will be growing by leaps and bounds.

"Wait a minute," you might say, "Robert, this isn't a good time to start a business or set off on ambitious growth projects." To which I would answer, "I beg to disagree. It's never a bad time to grow a business, unless you are working off the

same worn out, burnt out business model as your competition and undifferentiated product or services. Sure we have had some tough times the last couple of years, but tough times just represent an opportunity to get your focus and hustle. Chances are your business has some pretty powerful strategic capabilities and assets, but you have allowed yourself to wander all over the map. Tough times are the perfect opportunity for employing radical innovation in a stagnant industry, by finding new ways to leverage what you have always done well.”

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*Entrepreneurship is the key to growth, innovation, and expanding human welfare.*

Today entrepreneurship is on the rise for several reasons. First, as I mentioned previously, the web has changed everything. It has opening up a new domain of possibility for creating new industries and reinventing old ones. Young people (including MBAs) have heard about the horrors of working in a big Fortune 500 company and are instead choosing to develop a career path of joining a start up with a hot idea or going into business for themselves. As a friend in Boston told me during a lunch on Newbury Street, “Every time I drive across the bridge to MIT and glimpse students walking around on Mass Avenue, all I see is money. I often wonder which one of them has the insight, the billion dollar idea percolating in their brains.”

Another reason that entrepreneurship is on the rise is summed up in the title Clyde Prestowitz’s book *Three Billion Capitalists*. Entrepreneurship is the path for a huge number of highly-educated people all over the world, with rising needs and aspirations to improve their lot in life. As Tom Friedman wrote in his book, *The World is Flat*, the advent of the web, virtually free telephone service, and a global price for everything has leveled the playing field. Today, people in China, India, and Brazil, who have figured out how to do what the rest of us do

for a living better, faster, cheaper. Tomorrow, and the day after tomorrow, we will see a proliferation of business concept innovation, the likes of which the world has never seen before.

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*“I’ve had great fun turning quite a lot of different industries on their head and making sure those industries will never be the same again, because Virgin went in and took them on.”*

*-Richard Branson*

Entrepreneurship and innovation go hand-in-hand. As Peter Drucker said, innovation is the specific tool by which entrepreneurs become multipliers who build great companies. He defined innovation as *something new, something different, something that transmutes the values of a stagnant industry*. To me, what makes entrepreneurial innovators, like Sergey Brin (Google), Peter Thiel (PayPal), and Mark Zuckerberg (Facebook) of the last decade stand out as multipliers is that they not only all built fabulously successful, high-growth companies, but they made e-commerce feasible for hundreds of thousands of start-ups and solo entrepreneurs. Google made it possible for e-business CEOs to advertise their wares to millions for a marginal cost. Paypal made it possible for them to transact deals with customers, through a simple online payment system. Mark Zuckerberg made it possible for them to connect with customers world-wide.

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*The culture of Zappos has become something of a religion for entrepreneurs. They eagerly study CEO Hsieh’s philosophy of customer service. They copy his techniques for interviewing and hiring employees. They brag about exchanging e-mails and tweets with him.*

Let's take an example of how an entrepreneur transmutes values. In July of 2010, a young entrepreneur named Tony Hsieh sold Zappos, his online shoe retail company, for one billion dollars, at a time when his annual operating income was only about 20 million and business valuations were generally poor. But the size is not the main point. In the normal course of events, entrepreneurs recognize an unmet need and build innovative products and services to meet it. In Tony Hsieh's case, he recognized a need—terrible service and employee dignity—and innovated a company with a different set of core values.

Says Hsieh, "We asked ourselves what values we wanted this company to stand for. We didn't want to just sell shoes. I wasn't even into shoes, but I was passionate about customer service." Hsieh knew that the key to getting the high levels of personalized service that would make the company shine lay with employees. "For me, my role is about unleashing what people already have inside them that may be suppressed in most work environments."

*Entrepreneurial passion without strategy is a trap. Strategy without passion is a wasted intellectual exercise.*

### **3. THE MULTIPLIER HAS OUTRAGEOUS AMBITION AND IS HIGHLY STRATEGIC**

There is an old saying that if you meet the Buddha on the road, kill him. The same could pertain to business people who are multipliers. If you meet a multiplier on the road, he will most likely impress you as being both smart and humble. If he talks about his business, product or service, he may reveal his passion for what he is up to or his extreme irritation with the industry giants who are taking advantage of customers. However, he is not likely to boast about himself or his prospects. However underneath this humble, Buddha-like exterior often lies a person who has outrageous growth ambitions and who wants nothing more than to crush every competitor in sight. That's why I say, if you meet a multiplier on the road, kill him, especially if he or she is your competition (tongue in cheek!).

When Steve Jobs said he was going to transform the world with the PC, he was the personification of this aspect of a multiplier. Multipliers love standing inside an exciting new possibility that has the potential to transform a stagnant industry or create a new niche. They also love standing inside the gap between that possibility and its realization, as they call forth who they need to be and what they need to do to make it a reality. It's the creative tension that they feel while standing inside the gap that leads them to make an all-out attempt to close it with rule-busting, wealth-building innovation.

I have talked above about the importance of entrepreneurial passion, but if you want to take a leading position in any industry or create a new niche, you

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need something else beyond passion, you need strategy. Passion without strategy can lead you into a blind trap where you spend decades putting everything you've got into a business and getting nothing back. At the same time, strategy without passion can result in a business plan never getting implemented and just gathering dust in the desk draw.

The classic example of an entrepreneurial multiplier with outrageous growth ambitions is Bill Gates. Selling his operating system (when he started Microsoft) to the dominant PC maker at that time, IBM, so it would be adopted by all was nothing but pure strategic genius.

*The multiplier is continually asking questions: “What if...?”  
“Why not...?” “What would...?”*

#### **4. THE MULTIPLIER EVENS THE ODDS WITH DISRUPTIVE INNOVATION**

I have picked up many a Fortune Magazine over recent decades and read about brand name CEOs who were given the boot by their boards for failing to drive profit growth or revenue growth. The list includes John Akers of IBM, Rick Wagoner of General Motors, Kay Whitmore of Kodak, Steve Case of AOL, to mention only a few. The reason is not that these people are not smart enough or hard working enough. It's that they are the unwitting prisoners of visions dimmed by precedent, worn-out, burnt-out business models and the pressure to conform.

They go to the same trade shows, read the same industry magazines, even talk to the same industry consultants who further indoctrinate them in industry orthodoxies. In most cases, when change came, they were startled by it, and had to walk through the valley of the shadow of death as they watched new competitors, fresh from the niche, make their core business irrelevant. Truth be told, they aren't that much different than Joe the plumber, Dan the dentist, or Mario the pizza guy, who say “We are going to do what got us here,” or who respond to suggestions with “You just don't understand.”

By contrast, multipliers are cut from an entirely different cloth. They have a passion for innovation that starts with a basic intellectual curiosity. They recognize that it's not just being smart about your business, but having the ability to gain a fresh perspective. As Alan Kay, Director of Xerox Palo Alto Research Center, “A fresh perspective is worth at least 50 points of IQ.” It was Alan Kay's

team that created the first PC, the mouse, and graphic user interface. Picasso once pointed out that every revolution in art—Impressionism, Expressionism, Cubism, Surrealism—all started with a shift in perspective.

To get a different perspective, multipliers who create high growth companies read widely about anything and everything—history, business, culture, technology and so on. They talk to people on the fringe of their profession or occupation who have contrarian views. They travel outside their industry to break the grip of orthodoxy and leverage the success practices of other companies. They spend lots of time with customers to understand what they want that most industry competitors would consider impossible. They are constantly on the lookout for enabling technologies that will allow them to reinvent the impossible as possible. They are continually asking questions like: *What if? How come? Why not?*

It is this standing on the mountain and scanning the horizon to get a broader and deeper view that allows them to recognize exciting, new possibilities before they become obvious, and to act on them. If extreme irritation with the way industry giants treat their customers is their source of aspiration and motivation to take them on and crush them, disruptive innovation is the specific weapon by which they attempt to do so.

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*A transforming innovation is something that changes the game in an old industry or creates a new niche.*

Clayton Christiansen, author of “The Innovators Dilemma,” asked himself when he became a professor at Harvard Business School a few questions: *Why is it that most new billionaires are under 30 years old? Why is it that companies that are at the top of the pack wind up at the bottom of the pack ten years*

*later?* His answer was “disruption” or rather “disruptive innovation.” Think Wal-Mart vs. the department store, FedEx vs. the post office, Netflix vs. Blockbuster, and Biotech vs. big Pharma. What often happens is that the industry leader takes their existing product and starts adding on features the customer doesn’t need which results in company growth leveling off.

One of the problems CEOs have with growing their business is that they don’t distinguish between “sustaining” innovations and “disruptive” innovations. Sustaining innovation is applying incremental improvement to an existing business model, product, or service (like making PCs better, faster, cheaper). A disruptive innovation is one that serves to create a new industry or reinvent an existing one (creating the iPod, iPhone, iPad). If you look at a list of the top 100 high-growth companies in the world today, most of them got there through disruptive innovation,

*“Marketing has catalyzed more business, spawned more millionaires, created more revenue, more cash flow, more profits and more wealth, than anything else.”*

*Jay Abraham*

## **5. MULTIPLIERS ARE MARKETING MAVENS**

The multipliers have a marketing mindset that is the mental bridge between visiting with customers to ascertain their needs, innovating new products and services based on those observations, and then using advertising and sales to get people to buy it. As Peter Drucker once said, “The purpose of marketing is to make selling irrelevant.” Another words, if you go through all the steps mentioned above, the product should almost sell itself, and in many cases does. Every year a few well marketed, innovative products and services capture the public’s imagination, they find a unique niche and become runaway hits. Just look at the success of the iPhone, P&G’s Swiffer mop, Huggies’ Blue Jean Diapers, and foursquare (location based social networking).

One of the saddest facts of life is that, if you ask most CEOs whether they are marketing guys, they would answer “yes,” when in fact, they are product guys. They don’t have a marketing mindset, which starts with discovering the customer’s unarticulated, unmet needs. They have a product mindset, which starts with telling the customer what products and services will meet their needs. Clayton Christiansen gets to the heart of what it is to have a marketing mindset, especially when you are a new entrant into a market. He says that when developing products you have to keep foremost in your mind the question, “What job is the customer hiring us to do?” If you don’t build a product for the different jobs the customer is hiring the product to do, it won’t sell, no matter how great you may think the product is.

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*“When developing new products, keep foremost in your mind the question, ‘What job is the customer hiring us to do?’”*

*-Clayton Christiansen*

Peter Drucker tells a great story about a German company that wanted to sell household items in India. The country manager noticed that many homes and sheds in Calcutta had big ugly old locks on their doors that were often broken. He asked his company to manufacture smaller stronger locks, thinking he would sell thousands of them in no time. As it turned out, when he went around to sell the locks, no one wanted to buy them. When he asked an old couple why they seemed to prefer the old locks, they said that the old locks being big and ugly, tended to scare thieves away. Plus, as most people lost the key, they could be easily opened by tapping them with a stone.

Multipliers are not only people who target high growth markets and develop products and services that meet unarticulated, unmet needs, they are people who place huge emphasis on the importance of great advertising and sales effort, even if they only have a small budget. One of the big problems you may face as a CEOs of a small, medium, or even large company is that your marketing is ignored, even though you have sunk a lot of money into it.

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*“Great advertising should be like poison gas....and stop you dead in your tracks. It should be revolutionary and subversive.” -Legendary Ad Man, George Lois*

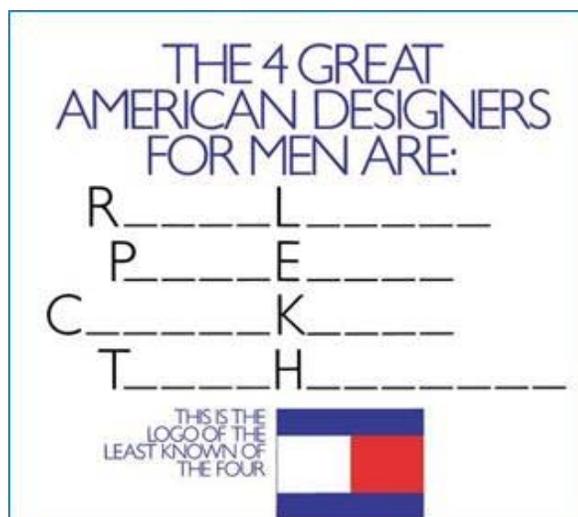
David Susskind once asked George Lois, the legendary ad man, and Max Blank from another ad firm in a TV interview what great advertising was. Max

Blank started talking about all kinds of theories of marketing, and as he spoke, Susskind noticed George Lois making faces. He said, "George, I see you making faces, so how about you telling me what you think great advertising is about?" Lois said, "Max must be in a different business than I am because I don't think like that at all. If you ask me what great advertising is about, it should be like poison gas and stop you dead in your tracks." Secondly he said, "It should be revolutionary and subversive."

Think about what Lois said, how many ads do you see by big companies in the Wall Street Journal, Forbes, or Inc. Magazine that are like poison gas? Few! How many websites do you see on the internet, either by small, medium or large companies that are so arresting when you come across them that you just have to get involved? Even fewer!

Lois loves selling. "I can use advertising to sell millions of anything, even a common pin." He said, "I can make Tommy Hilfiger a big brand in what" (he says looking at his watch) "a couple of hours?" He did an amazing job of showing how revolutionary advertising can be with Tommy Hilfiger, who at the time a virtual unknown in the fashion world.

George Lois' ad that put Tommy Hilfiger on the map.



He put together a billboard ad shown in Times Square with an audacious claim: THE 4 GREAT AMERICAN DESIGNERS FOR MEN ARE: R\_\_\_\_ L\_\_\_\_, P\_\_\_\_E\_\_\_\_,C\_\_\_\_K\_\_\_\_, T\_\_\_\_H\_\_\_\_. THIS IS THE LOGO OF THE LEAST KNOWN OF THE FOUR (he showed Tommy Hilfiger's logo.) Then he created another billboard which showed Ralph Lauren looking old, Calvin Klein looking kind of craggy and Tommy Hilfiger looking like a young, fresh face. Within less than ten years, Tommy Hilfiger went from zero in sales in the USA to a \$2 billion international company.

The good news about marketing is that, while the fundamentals have remained the same (differentiate or die), the game has changed. Today, you no longer have to have big bucks to spend on newspaper ads, bus or subway domination ads, or billboards to make yourself known. The game is now to use social media to get your message across. It's also less about advertising how wonderful your product or service is (traditional sales tactics) and more about using social networking like Twitter and Facebook, YouTube to make a relationship with your customer and educating and providing value to them through content based advertising. If the customer sees you as an expert, they are more likely to do business with you than if you simply try to hawk your products.

*Make a list of things to do and do them. Andrew Carnegie*

## **6. MULTIPLIERS DO MORE, FASTER**

I can remember doing consulting in big companies and observing people make their plans. They would have big strategy and budget meetings in the first quarter to make their plans, operational reviews in second quarter, people reviews in the third quarter and so on. In between these times, people went to work and engaged in the 3 P's cubed: 1) Planning, 2) Politics, 3) PowerPoints. Yet I would often notice that after 2 or 3 quarters had gone by, very little had happened. The company, if it was big enough, just continued to get pushed along by the momentum of the market place.

People who are multipliers, whether they are the CEO of a big company, president of a small to medium size enterprise, or founder of a startup think and act in a dramatically different way. They have a vision of an Impossible Future, focus on their 'A' level priorities, and secure early wins that build personal credibility and momentum. If there were just a few words that would describe their behavior, to me it would be "do more faster."

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*Action trumps everything. Charles Kiefer*

One of my coaches and friends for many years now is Greg Goff who became CEO of Tesoro, a major oil company, which is about 400 on the Fortune 500 list. Every time I talk to Greg, he sounds like someone who has just finished a Decathlon. He not only hit the ground running when he got the job, but sprinting. He set a goal of exceptional people in every key job and, as a result, fired half his executive team within a few months. He fixed up operations during his

first 100 days, making major improvements. He laid the groundwork for a new strategy, spending nights and weekends at work on it. He also came up with a new leadership model and high performance organization model designed to create a fundamental shift in corporate culture. Within a year, he had doubled the operating cash from \$300 million to \$800 million, spun off a new company that is now on the Fortune 500, and doubled the stock price.

I have seen the same kind of thing with entrepreneurial multipliers in startup companies. The game is not just to come up with an innovative business concept, but to successfully walk through the valley of the shadow of death and survive the experience. The idea is to build a website, product, or service, so that you can sell to a customer, or get a venture capitalist to invest, before you run out of cash. The only way you can do that is to do more, faster.

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*Multipliers have an experimental mindset and a bias for action. They are experts at doing more faster.*

One of the things about multipliers is that they have an experimental mindset and bias for action. A great example experimenting comes from Jeff Bezos, CEO of Amazon.com. Bezos grew up spending the summer on his grandparent's farm. His grandparents were people who were very self-reliant. If a tractor broke down, Jeff's granddad would never call someone to fix it. Instead he would open up the hood, study it, and experiment with this approach or that approach until it was fixed. The same thing would happen when a cow would become sick; instead of calling the vet, he would experiment with different remedies until he was able to nurse the cow back to good health. Bezos worked with his granddad and the experimental approach stuck with him.

When Bezos started Amazon, there had so many orders that they were not ready for. Bezos would get the books packed up late, then pound on the door of

the UPS center, where the worker would take pity on him and opened door. “We had no real organization in our distribution center at all. In fact, we were packing on our hands and knees on a hard concrete floor. Just to show you how stupid I can be, one night we were packing books, and I had this brainstorm as I said to the person next to me, ‘This packing is killing me! My back hurts, this is killing my knees on this hard cement floor’ and this person said, ‘Yeah, I know what you mean.’ And I said, ‘You know what we need?’ my brilliant insight, ‘We need knee pads!’ I was very serious, and this person looked at me like I was the stupidest person he’d ever seen. ‘I’m working for this person? This is great. What we need is packing tables!’”

*You don't have to be as smart as Steve Jobs, you just have to make the people around you feel like they are.*

## **7. MULTIPLIERS MAKE EVERYONE AROUND THEM SMARTER**

We have all had two kinds of bosses. The first kind is one of the diminishers, people who tend to bully you, hover over you, and look for opportunities to catch you doing something wrong. These bosses are people who suck all the air out of the room at a team meeting, asking others to speak up and then shutting them down with a nasty comment when they do. They not only tend to make people feel dumber, but also incapable.

The second kind of boss is one of the Multipliers. They inspire you, empower, you and enable you. They raise your aspirations and motivations to do a great job by helping you link your personal ambitions to the company ambitions. When they hold a team meeting, they don't pretend that they are the smartest man in the room. Rather they draw people out and acknowledge their contributions. They make everyone in the room feel smarter and more capable. As a result, they bring out the best in those around them.

A good example is Scott Cook, the founder of Intuit software. One day he was sitting in his office preparing for an offsite meeting with his company, worrying that he wasn't a leader like Steve Jobs, who could pull game-changing products and services out of his hat. Cook, unlike Jobs, is not a dominating leader who is always expressing his strong views but more of a listener who draws others out. When Cook gave his speech at the offsite, there was no standing ovation, which made Cook second guess himself further. Then toward the middle of the offsite a young software engineer, whose ideas Cook had en-

couraged, stood up and made a presentation in which he pitched his idea for a new Intuit product. Cook and everyone else at the meeting stood up spontaneously and applauded the young leader and his presentation. Cook realized at that moment that he didn't have to be a creative genius like Steve Jobs to come up with breakthrough products and services, he just needed to give people in his organization the opportunity to feel smarter and more capable.

Okay, now it's time for you to take a hard look in the mirror. It's great if you see someone beautiful and it's ok if you see someone ugly. As you look in the mirror, ask yourself again, what kind of boss are you, and how will it impact your ability to create a high growth company? Remember that talented people today are not just seeking the best company to work for in a field that excited them, but the best boss. Ask yourself honestly what are the leadership behaviors you have that make you a multiplier, and what are the leadership behaviors that make you a diminisher? Once you sort that out, ask yourself how you are going to psychologically transform into a multiplier and list the behaviors that you may need to adopt or let go of if you want to show up as a multiplier vs. a diminisher.

## ARE YOU A MULTIPLIER OR DIMINISHER?

MULTIPLIERS	DIMINISHERS
Build a shared vision: <i>We are out to change the world;</i> impossible goals	Focus only on reasonable goals and incremental improvement
Just say <i>yes</i>	Just say <i>no</i>
Build people up and give them space to try out their great ideas	Hover over people and often belittle them
Catch people doing something right; Their motto: fail faster, succeed sooner	Catch people doing something wrong and are hyper critical of mistakes
Debate-makers who see divergent views & perspectives	Decision makers who often act unilaterally
Balance advocating their views with inquiring into other's views: <i>What do you think?</i>	Tend to unilaterally advocate their position: <i>Just take it from me</i>

## **THE 9 “HAVE YOU’S?” – QUESTIONS FOR DEVELOPING MULTIPLIER BEHAVIORS**

- ◆ Have you asked three to four people in the last month: “Do you see me as the kind of leader who is a “multiplier” or diminisher?”
- ◆ Have you in the last month had a full day offsite about your growth ambitions for your company?
- ◆ Have you in the last year, taken an entrepreneurial idea that had game-changing potential and proceeded with it like a monomaniac with a mission?
- ◆ Have you had a discussion with your team that involved looking at how you could compete on the basis of a new business model vs. just products and service?
- ◆ Have you in the last month reflected on how to reverse your usual statement to question ratio?
- ◆ Have you in the last week created a forum for a dialogue about a growth opportunity with a wide cross section of people?
- ◆ Have you in the last week invited an interesting “weird” outsider to sit in on an important meeting?
- ◆ Have you celebrated in the last week a large or small milestone reached?
- ◆ Have you had a talk with someone where you acknowledged their contribution and asked about a project’s next steps?

## About the Author

Robert Hargrove is a world-renowned, revolutionary thought leader in the field of leadership, talent development and coaching. His motto is *Better Leaders, Better World* and he believes that coaching leaders to achieve an Impossible Future is the fastest, most powerful way to achieve both.



Hargrove is the founder of Masterful Coaching and served as a Director of the Harvard Leadership Research Project. He has been awarded for Distinguished Public Service by the United States Government for his coaching work with political leaders.

Hargrove has also played a pivotal and highly instrumental role in rebranding campaigns in companies like Adidas, Philips Electronics, Estee Lauder, and the National Hockey League.

Hargrove's coaching approach is one of the only methods which delivers real ROI. According to one client, "We pretty much stuck with the Masterful Coaching approach and it made the company hundreds of millions of dollars."

Hargrove is the author of best selling business book *Masterful Coaching* and many other books on leadership, coaching and collaboration.

