

DAVID GOLDSMITH

with **LORRIE GOLDSMITH**

Paid to **THINK**

A leader's toolkit for redefining your future.



Achieve More | Earn More | Live More

Foreword by Jay Abraham

PRAISE FOR
Paid to THINK

“*Paid to Think* is an invaluable source of step-by-step methodologies and best practice processes illustrated by plenty of stories to make you think or rethink how to better and faster achieve your goals. It certainly has been one of the most precious gifts given to me.”

—MELANIE ALBARIC, Marketing Manager, Rail Europe, Inc.

“If you’re tired of leading at 65 mph in a 200 mph world, *Paid to Think* will give you the Ferrari toolset and mindset to accelerate results and think differently. Its tools are both contrarian and powerfully simple. This is the one book you must read—right now!”

—DAVID NEWMAN, Author, *Do It! Marketing*

“Thanks to David and the tools in *Paid to Think*, we now prioritize our major projects, think them out more thoroughly in advance, and get most of them done on time and on budget, which has had a huge impact on our business.”

—JAMES F. VAUDREUIL, CEO, Huebsch Services

“Using the tools in *Paid to Think* has resulted in a complete overhaul of our strategic planning process and a dramatically improved approach to strategy and leadership development. David’s easy-to-use frameworks and models bring pragmatic solutions that drive progress. As a strategist, I anticipate that his book, *Paid to Think*, will be my go-to guide for years to come.”

—ELLA CHAN, Director, Strategy Walmart Asia,
Former Head of Group Strategy, City Super Group

“*Paid to Think* shows leaders how to think more and think better to meet their challenges. David Goldsmith brings structure and rigor to how leaders can think more effectively with easy-to-understand principles and practices.”

—MARK SANBORN, President, Sanborn and Associates, Inc.,
Bestselling Author, *The Fred Factor* and *You Don’t Need a Title to Be a Leader*

“*Paid to Think* shows leaders how to think and how to lead. This is the book that should be at the top of your reading list.”

—ERIC CHESTER, President, Reviving Work Ethic, Inc.

“*Paid to Think* enables you to find the root of your challenges, implement solutions, and quickly take your organization to the next level.”

—JENNIFER SCHRODER, VP Marketing,
Special Market Sales, Galison Publishing LLC

“David Goldsmith is unique in that he can see a 50,000-view of business and management and can also deliver the hand-to-hand tools to win.”

—JEFFREY GITOMER, Author, *The Little Red Book of Selling*

“*Paid to Think* provides straightforward tools to help you strategically position your organization forward.”

—JANINE MCBEE, CUDE, Southwest CUNA Management School

“I thought that *Paid to Think* was about work. It’s not. It’s about life, and it has changed my life in many ways. This book is a must-read for anyone who is daring enough to change!”

—SHEILA FRANCIS JEYATHURAI, Director of Business Development, Rouse

“David’s mind works in the most incredibly unique fashion I have ever seen. Read *Paid to Think* as if your entire strategic life depends on it, because it does!”

—ADAM BROITMAN

Global VP Digital Marketing, Mastercard, Former Chief Creative Strategist,
Something Massive

“*Paid to Think* will help you make higher-quality decisions and better outcomes. Don’t miss this read!”

—DON HUTSON, #1 *New York Times* Bestselling Coauthor,
The One Minute Entrepreneur; CEO, U.S. Learning

“In an age when so much management flimflam masquerades as new knowledge, David Goldsmith’s *Paid to Think* provides a refreshingly detailed study in the proven mechanics of sound business thinking. Read and re-read this book!”

—JAMES H. GILMORE, Coauthor, *The Experience Economy:
Updated Edition and Authenticity: What Consumers Really Want*

“*Paid to Think* bridges the gaps left by management techniques one learns in business schools.”

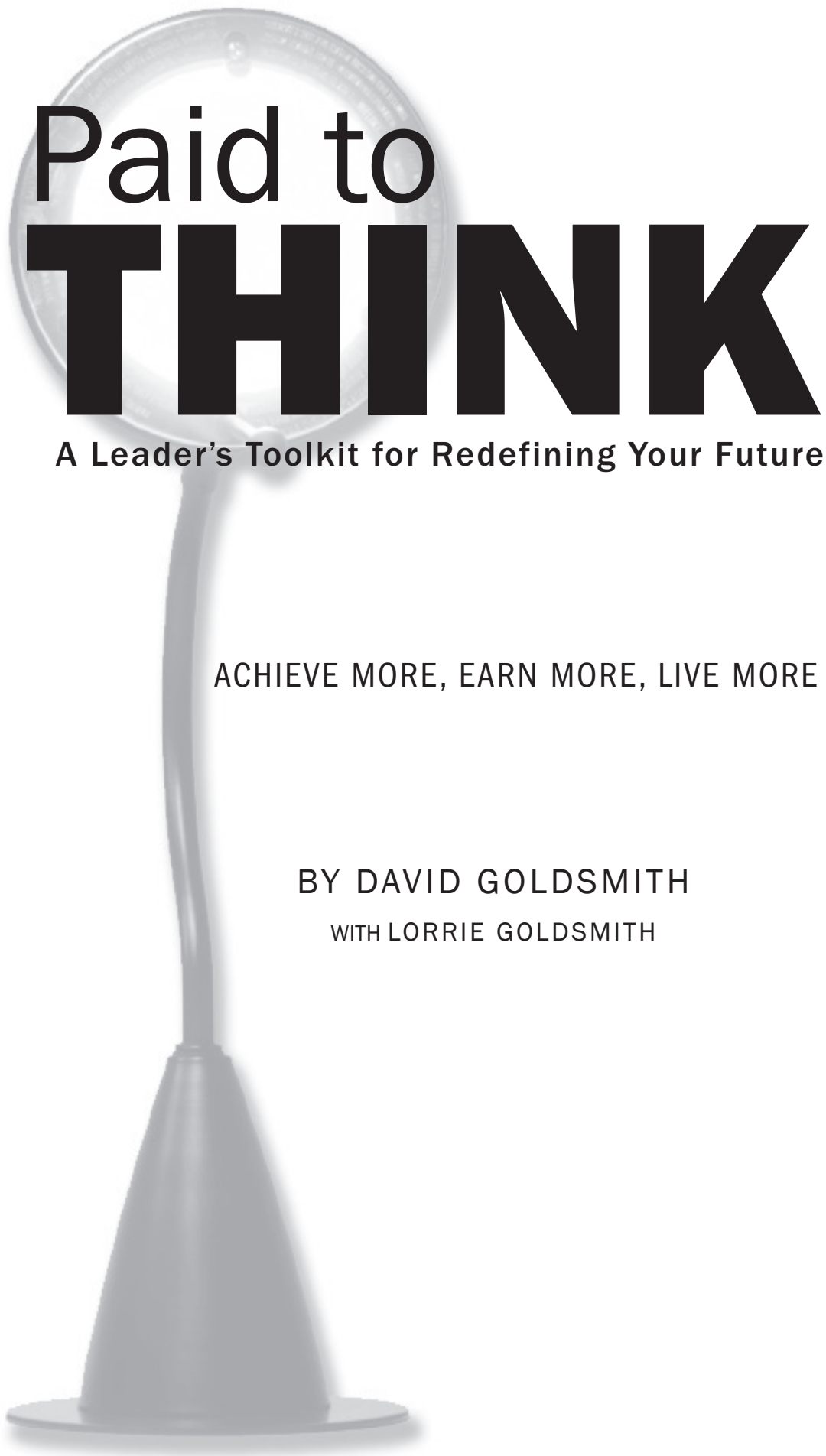
—ARUCHA PROMYANON, Former Channel Manager,
Fuji Xerox (Thailand) Co., Ltd.

“This book does more than provoke thought—it creates results!”

—JOE CALLOWAY, Author of *Becoming A Category of One*

“*Paid to Think* gives you all the tools you need to focus your organization, be innovative, and achieve targeted results. No guiding guru needed.”

—SANTIAGO JOHNSON, Branding Director, Leonisa S.A., Colombia



Paid to
THINK

A Leader's Toolkit for Redefining Your Future

ACHIEVE MORE, EARN MORE, LIVE MORE

BY DAVID GOLDSMITH

WITH LORRIE GOLDSMITH

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To my wife, Lorrie, my love of 26 years,
thank you for everything. There are no words to describe
what you mean to me.

∞ DAVID

To my sons, Adam and Jake,
I wish for you love, happiness, and experiences
that will enrich your lives as much as you have mine.

∞ DAD

PAID TO **THINK**

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FOREWORD

The Entire Concept of Management Thought (and Action) Just Got Shaken to Its Roots

OKAY, SO WE'VE COME A long way, you say, in the field of managing people, leading teams, collaborating productively. We've figured out everything from how to be great to how to work a four-hour week. Oh yes, and in between, we've had corporate love affairs with disruptive thinking, top-grade thinking, good-to-great thinking. You name it, our management leaders have surely had their "fling" with it. Well, what I'm about to say won't sit well with a lot—maybe, most of you. Certainly I will shake many if not every one of your beliefs and perceptions to their very roots.

But facts are facts. Results speak for themselves and everyone from the CEO of Wipro to the founders of Infosys to the executives and leadership of organizations all over the world agrees: there's a new sheriff in "Management Town," and he's cleaning up all the displaced, underperforming, and limited-yielding thinking and actions that drive the majority of corporations and enterprises run by entrepreneurs in the business world today.

That sheriff is David Goldsmith, and his brand of law enforcement is to introduce a stratospherically higher set of leadership "laws" within his model called Enterprise Thinking, the concept of rethinking the role and value of leadership within organizations. David's approach is an entirely new slant on what leaders should be doing every day. Plus he provides practical, easily applicable tools and instruction so that leaders know how to think optimally and turn their ideas into results. While every other management guru you've heard of, read about, or studied may teach on how to do more, David teaches you how to get everyone, including yourself, to *be* more: More of a thinker. More of a strategist. More of a leader. More of a collaborator. More of an entrepreneurial thinker. More of a creative thinker. More of a transformational thinker.

When people ask me to explain, define, qualify, or categorize David, the man, let alone David, the book, I truly can't. Not because I don't have a diverse and vivid vocabulary. Rather, it's because both the man and the message are uncategorizable. On the one hand, he's the one, true voice of awareness, knowledge, and learning that can propel you and your management

to truly decisive performance enhancement. But on the other hand, he's a management scientist who has just uncovered, discovered, and perfected the "cure for the common corporation."

Let me repeat that statement: David, through his mammoth work and even more mammoth mind, has redefined the entire concept of what a healthy, higher performance organization or entrepreneur needs to look like, think like, *be* like. He's finally figured out how to take an organization—any organization, whether large, small, complex, simple, worldwide, or localized—and get it, and every key team member within it, thinking and leading (and managing) in a highly improved way.

How does he do it? A clear-cut understanding will evolve as you progress through David's breakthrough work. I call it a work because referring to it as a book would demean its importance and impact on the future of your business life.

I struggled for days trying to come up with the proper definition, description, and denomination of precisely what *Paid to Think* really is. Think about it this way:

What the Egyptians did for planning and the Hebrews did for organization, scalar principles and exception-based thinking; what the Sun Tzu did for planning and directing; what Plato did for specialization; what both Al-Farabi and Ghazali did (separately) for distinguishing the traits of a leader; what the Venetians did for cost accounting; what Adam Smith did for the concept of ROI; what Eli Whitney did for scientific management; what W. Edwards Deming did for the concept of quality process; what Marshall Laughlin did for the function of management; and what Henry Gantt did for humanistic thinking; on up to what Peter Drucker did for current management theory and practice—that is what David Goldsmith has done for modern-day leadership with Enterprise Thinking, a "rethinking" of *all* of those factors and forces and functions. And so very much more.

David's monumental work raises, then fully answers so many thought-provoking questions. It challenges many, if not most, of our current precepts on everything from our basic operating/management assumptions to the very economics of thinking versus doing. It looks at strategy through an entirely fresh, new prism that breaks open the facets into laser-like beams of newfound possibility.

I don't think anyone can read the section on creating new products and services without gasping, then releasing a thunderous "AHA!" David's take on ideation and eliminations are, well, let's just say they are paradigm-shifting.

Probably my personal favorite part of this work—although not necessarily

the only vein of enrichment you'll read here—is the chapter on establishing alliances. David's six forms of alliances and two key alliance-building tools bring disciplined, performance-based thinking to the concept of establishing alliances for probably the first time ever. Certainly he views the topic in a much more rarified light of understanding than I've seen professed before.

He also shows you how to correctly leverage and harness technology, first redefining exactly what technology is and the role it must hold in any organization. Perhaps the finest, single service David's enormous work achieves is taking you back to the title: he teaches you how to get far more lavishly paid for thinking—differently, masterfully, preemptively, preeminently. I could go on for pages about exploring awareness, since David delves deeper into its meaning and implications than any of the hundreds of other management books I've ever read dare pursue. And his section in innovating will rock your reality in ways innovation should.

This work is anything but abstract: it's the polar opposite of theoretical. It's an all-encompassing new vision and playbook for managers that applies brilliantly and immediately to just about every managerial, operational, strategic, competitive, or organizational issue your organization currently faces and will unquestionably face in the world, today. The more deeply you probe this work, the more certain you'll be of its priceless importance to the very lifeblood of your enterprise.

My only words of warning are these: Take the time required to grasp all the interconnected meanings of these cutting-edge principles. I doubt that you can possibly absorb everything contained in this powerhouse work on first read. It took David twelve years to evolve and refine it, two full years to write it, and nearly a year to final-edit it. I urge you to read each chapter again (and again) to embrace the full scope of what this man has revealed here. Your organization and your life will unquestionably become the beneficiaries.

JAY ABRAHAM
International Marketing Strategist, founder
and CEO of Abraham Group
March, 2012

INTRODUCTION

You're Paid to Think

THINK BACK TO A TIME you made a run for leadership. Perhaps you applied for a managerial opening in an already-established company or nonprofit, ran for class president in school, or ventured out on your own to start a new business. Whichever path you took, you had to put yourself out there to be judged by someone who held the key to your success, be it an HR person for an interview or a loan officer for start-up capital. Surely your clothing, speech, and credentials could have played a role in securing your achievement, but more than likely, the person or people who were considering your abilities were looking for more than whether you could mulch a garden, design a bridge, or mount a tire on a car; they were assessing you most on one particular quality, one not discussed much in management circles: how you think.

I doubt you'll find many supervisors or HR managers who will articulate their decision-making thoughts in those words, but that's what is really going on in their minds. They consider whether a prospective leader or manager has the *thinking skills* to create new opportunities, solve challenges, and redirect the energies of others in order to achieve success. Looking at yourself from this perspective, you can see that your thinking skills set you and your organization apart from the crowd when you want to get ahead, and they keep you in your leadership position. As Warren Buffett¹ has said, companies "occasionally . . . excel because of luck. But usually they excel because of brains." The rewards you've earned and those you have yet to seek—a new job, a better quality of life, higher income, or more respect—come down to your thinking skills. In other words, you are paid to think.

So the big question is, what should you be thinking about? I promise that by the time you reach the end of this book, you'll have a definitive (and possibly surprising) answer to that question, and you'll also possess an abundance of tools that will enable you to convert your thoughts to realities. *Paid to Think* has been written so that you will know more precisely where to focus your energies and how to put your newfound knowledge to immediate and practical use.

You won't end up like the pharmaceutical company manager who told me how disappointed she was with many of the books she'd read on leadership and business. She explained that although these books contain good ideas, she was never able to duplicate the types of improvements they recommended, because they told her *to* be great but didn't teach her *how* to be great. She is not alone. Countless other leaders and managers have expressed that same sentiment to me, and I'm guessing you've had a taste of this disappointment at one time or another, too. It doesn't have to be that way, which is why this book is structured in a manner that will empower you with the information, instruction, and tools you need to turn your ideas into realities.

Years ago, as a business owner and entrepreneur, I found myself frustrated with the disconnect between how I was learning to lead and manage, and the realistic demands of everyday life and work. The educational gap seemed to exist not only in *my* businesses, but also in the nonprofits where I volunteered my time and in the various organizations led by my colleagues. It didn't seem to matter what type or size of organization I looked at, nor did the location of the organization suggest that certain parts of the world were better at minimizing the discrepancies between what leaders needed to know and what they'd been taught about leading. If you've found yourself coming to a similar realization over the course of your career, be assured that the problem hasn't been you.

Even then, I knew something needed to change, and I was determined to find better answers. As my career transitioned into consultative work, where I've had opportunities to work with thousands of decision makers worldwide, I have found that methodologies such as on-the-job training (OJT) techniques, while better than nothing, can miss the mark, because oftentimes they perpetuate misconceptions and mistakes. Many training programs consist of little more than a series of rote actions built upon the trying and testing of ideas to see what works. As a result, they risk multiplying flaws, errors, or misperceptions unknowingly. They also leave out a key component to leadership success: thinking. When you watch others perform and then imitate what they do, you are learning to do what they *do*, but you are not learning how they *think*—the mental conclusions behind their actions. This is why most processes are not easily transferrable from one leader, department, or organization to another, and in a world where leadership prospects are in short supply, transferability is extremely important.

Maybe you didn't go to business school, so you've been quietly insecure about what you've been missing. I can assure you that throughout my experiences consulting and advising leaders like you, the lack of good thinking tools is as prevalent among MBAers as it is high-school dropouts. Most leaders and

managers never went to business school.² According to Chad Moutray, chief economist for the Small Business Administration's Office of Advocacy, there are 27 million American businesses and only eight million U.S. business-degree graduates,³ and that includes retirees and those who pursue careers outside the United States. (We have to consider, also, the large number of business-degree graduates who are non-management-level employees, many working for large corporations who hire thousands of new MBA grads each year.) Moutray and I did the math and found that less than one business in five has a business-degree holder calling the shots. If you were to include government, not-for-profit, military, and education, the ratio may be as great as one organization out of twenty. Furthermore, on a global scale, the number could be less than one in fifty!

But even organizational leaders who did go to business school aren't necessarily fully equipped to make the best decisions and manage as effectively as they are capable of doing. The reason is that most business schools teach subjects separately—finance, accounting, marketing, and so on—rather than integrating them to mimic the realities of day-to-day leadership and management.⁴ For instance, you can take an accounting course and learn the single subject of accounting, but you won't be taught how to use accounting to lead others, nor will you learn how your accounting decisions will affect other aspects of your organization. I believe this silo approach is why many of my clients with MBAs will readily admit behind closed doors that although they knew how to play the game to earn good grades in college, they are uncertain, even lost at times, about what to do on the job.

If you're tired of hunting and pecking for answers and still not getting them from books, conferences, training programs, or other types of courses, rest assured that the problem lies more in that educational gap than it does with you. For too long, you and leaders like you have navigated through your careers without the benefit of a comprehensive guide and a universally applicable kit of tools to solve your everyday challenges. Certainly, your journeys could have been made simpler and could have generated more reliable outcomes with better resources.

For example, have you ever considered how people working in the trades are better equipped with tools than you are? The plumber who comes to fix your sink has a van filled with wrenches, torches, pipes, snaking devices, and more to solve the majority of challenges he faces in a day. He or she has been taught how to use those tools to get the best outcomes. What tools are in your toolkit? A computer? A desk? Spreadsheets of data? A SWOT analysis? Though they are types of tools for the person who is paid to think, the need

for the types of tools that are not so visible, like intellectual or *thinking* tools is critical. Yet these assets are in short supply for most leaders. It is this lack of reliable thinking tools that causes you to constantly ask, “What do I do now?” without a flood of viable answers coming to mind. This is a scary situation to be in, and it happens to experienced leaders and new managers alike. Wouldn’t it be nice to experience this dilemma less often?

Don’t get me wrong. You may have some great tools that have helped you to get where you are today. Furthermore, I don’t believe that you are “broken” or in need of fixing; instead, I believe you’ve come to this book looking to improve upon the successes you have already achieved to date, and it’s my aim to guide you with tools that will accelerate your growth and give you more opportunities both at work and in life.

The decision to transition my career from that of business and organizational leader to consultant and advisor presented me with the opportunity to work with outstanding leaders and managers worldwide, learning about their challenges and the thinking and activities they used to overcome them. As you will learn in Chapter 1, my work with decision makers in large to small firms and in nonprofits nested in both the private and public sectors has given birth to an approach to leadership and management that I call Enterprise Thinking, the heart of this book and the guide and toolkit that will help you achieve noteworthy successes as you face the challenges that assuredly come your way on a daily basis.

I’ve not only shared Enterprise Thinking with my consulting clients and speaking-engagement audiences, but I’ve also taught it to bodies of students at New York University for the past twelve years. Tens of thousands of people, your “leadership colleagues,” have used the Enterprise Thinking approach to leading and managing as a means to transform their careers, organizations, and lives in ways they never could have imagined and in ways that I never could have anticipated when I embarked on this journey.

The Value of Thinking

You can never underestimate the value of thinking before taking action, especially when you’re about to invest labor, capital, time, and your reputation on an initiative. Unlike some of the resources you’ve turned to in the past, *Paid to Think* will give you the tools you need to make better, faster, and more accurate decisions that will ultimately lead to improved outcomes with less risk, waste, and mistakes.

I often see how easily people can forget the power that a single decision has to make hugely positive transformations within organizations and lives. Keep in mind that this power is not limited to traditional businesses, either. Say that you work within a school system; one better decision could lead to thousands of more students graduating from high school with a diploma. If you're a decision maker in a military organization, your one better decision could save millions of dollars and countless lives. In for-profit organizations, one better decision made by several staff members could mean the difference between enjoying thriving profitability versus partaking in the agonizing process of filing bankruptcy.

Consider how advancements in technology and communications are speeding up an already fast-paced marketplace. You have less time to make decisions now than leaders did in years past, and in many instances, the decisions carry more weight, promise higher rewards, and threaten greater consequences. Unfortunately, most decision makers are still trying to drive their organizations at 200 mph using only the skills, knowledge, and tools of a 65-mph driver. If you plan to keep pace at 200 mph, you'll want to arm yourself with tools like the ones you'll learn here.

Ultimately, you are responsible for making the kinds of decisions that will affect your organization and your life both in the present and the future. Your decisions are rooted in your ability to think, which is not as simple as it seems. As Henry Ford once said, "Thinking is the hardest work there is, which is probably the reason why so few engage in it." That's why it's important to have the Enterprise Thinking resources you need to make your best decisions from one day to the next.

Organizationally, you will be able to use the tools in this book to get your entire management staff—from the senior level to the front line—up to speed in less time and with better returns than you do now. If you have a small organization where there are no distinct groups like senior managers or frontline staffers, these tools will just as effectively enable you to transform your ideas to realities. Individually, you can use them to drive your career regardless of where you are today and where you end up years from now.

From this point forward, consider any improvement to be one that will in some way sharpen all your thinking skills, because all the activities (and their tools) are interconnected; improve one group and overall potential increases. The advantages you will enjoy by improving your thinking skills are limitless. Through Enterprise Thinking, you can gain higher returns on your investments of time, money, labor, and resources, which is particularly beneficial when you're trying to do more with less. Enterprise Thinking also accelerates

the rate of personal and organizational achievement, allowing you to make proactive decisions rather than reactive ones in our increasingly fast-paced world. If you've ever felt less than confident about how to lead and manage others, you'll find that many of the gaps left by traditional means of education will be filled by the time you become an Enterprise Thinker.

Furthermore, the universality of the activities and tools empower you to tear down silos and barriers that would have previously prevented individuals, departments, organizations, cultures, and even countries from working synchronously, thus effectually, on reaching shared or complementary goals. And if these plusses weren't enough, here's one more: your "aerial perspective" of your organization will expand to a virtual 50,000-foot view, allowing you to improve upon the systems, structures, and processes that drive performance and attract the rewards that come along with it.

Even before you finish reading the book, you can expect to see drastic improvements in your ability to know what to do and how to do it. Yet I caution you to be patient, too, because as you learn how to perform Enterprise Thinking's twelve core leadership activities, there will be times when your beliefs and accepted ways of performing will be challenged. Rather than discount the unknown or immediately inexplicable as wrong, false, or unbelievable, I urge you to see these moments as great opportunities for learning and growth. Simply put, if something doesn't make sense initially, give it some time to marinate in your mind, because it most likely will by the end of the book. For the most part, however, you will find yourself quickly applying what you learn here to transform your outcomes and convert your ideas to more certain realities.

We'll begin with an overview of Enterprise Thinking in Chapter 1 to lay the foundation for learning the activities and tools throughout the rest of the book. Then, in Chapter 2, we will begin to expand your scope of opportunities by rethinking many of the common perspectives and beliefs that could be preventing you from optimizing your full potential. Chapters 3 through 14 will provide you with the activities and thinking tools you need to make improved transformative advances in your career and organization. In Chapter 15, you will learn how to take your new thinking tools with you to forge the type of future you envision for yourself and your organization.

Congratulations on taking the time to improve as a leader and manager. I guarantee that by the book's end, you will not see your role, your organization, or your ability to capture opportunities the same way ever again.

1

ENTERPRISE THINKING

EXECUTIVES AND SALES PERSONNEL AT an American company worked for years negotiating a deal to sell \$2.4 million of laser equipment to a prospective buyer in Japan. After numerous correspondences, it appeared that the Americans had finally made some progress. They were to ship one of the lasers to Japan, where it would undergo a thorough inspection. If it could meet the Japanese buyer's strict quality standards, standards that were higher than those of the U.S. domestic market, then the Americans could close their sale.

The equipment arrived on time as promised. It was immediately tested and inspected. Then the laser was dismantled so that each component could be examined meticulously. At every step of the process, the laser passed inspection with flying colors. The sale seemed inevitable until one of the buyer's managers passed by the laser's packaging and caught a glimpse of something that didn't look quite right.

Peering into the shipping carton to get a closer look, he found a shoe print left behind by one of the packagers at the American facility. The buyer could surmise no reasonable explanation for the footprint besides sloppiness, because the inside of a box is never exposed from the time it is die-cut to when it is folded by machine into its boxy shape. He directed his team to repackage the laser into its box along with the following message: "If you can manage to get a footprint in the box, I can't imagine what you might have done to the product." Another two years passed before the Americans were able to close that sale. Imagine the increased time, money, and resources that were expended within that span of time, because the seller lost an opportunity through its back door.

Situations like this occur all the time within organizations throughout the world. The timeliness of a contractor's bid submission, the politeness of a company's receptionist, the cleanliness of a restroom . . . every component of an organization contributes to its success or failure. And it's up to leaders like you to make sure that you're continually focused on the right matters at the right time—systems, structure, processes, personnel, capital, and more—to keep all of those components working harmoniously and optimally. Compound this awesome responsibility with the impact that an increasingly rapid pace of technological change is having on our organizations and you can quickly see how important it is to make great decisions fast. The Enterprise Thinking approach, which I'll explain shortly, will improve upon your current decision-making processes.

Your Challenges Are Universal

For more than a decade, I've worked with decision makers worldwide as a consultant, speaker, and New York University instructor. These experiences have afforded me the opportunity to talk in depth with a wide range of leaders. Prior to developing Enterprise Thinking, I had conducted more than 1,800 one-on-one interviews with top leaders, midlevel decision makers, and frontline managers across countless industries in diverse specialties like nanotechnology, aerospace, water and sewage, construction, and so on. To be clear, my role as an interviewer has never been that of a researcher, *per se*, but as someone who is hired to help organizations grow and prosper. Therefore, my aim is always to get to know my clients, their needs and challenges, and their strengths and weaknesses, *not* to uncover their thoughts on leadership traits, an exercise that typically leads to ethereal answers like “charisma” and “steadfastness.”

By approaching each interchange wanting to know how I can assist leaders to better solve their present challenges, I glean the types of information I need to empower them to better address future challenges independently, long after my association with them has ended. Accordingly, I begin each interview with one specific question: *What are some of the challenges you're facing today?*

Because my interviews were consultative in nature, this question opened the door to more than just a list of challenges, however. I was also able to uncover the thinking behind leaders' attempts to solve their challenges, giving me an insight that I'm not sure I would have gained had my mission been simply to research these individuals. From thousands of hours of confidential interviews, lasting on average forty-seven minutes, I uncovered more

than 7,000 specific challenges, tens of thousands of tangential challenges, and insight into the minds of leaders in businesses, nonprofits, government, military, and education around the globe.

You would think that such a diverse group of interviewees would present similarly diverse responses, but as it turns out, the opposite is true. Even though their products and services differ, the leadership challenges are universal across industries and sectors. They ignore boundaries or silos that separate departments, business units, and management levels. For instance, a public-utility vice president told me that he has to recover and control cost increases. A medical-office manager needs to keep up with the increasing onslaught of information. An Air Force lieutenant colonel must create new products, and a school-district superintendent, reacting to a recent tax-base erosion, is forced to do more with less. Surely you've faced similar issues at one time or another, too.

As I studied these collective challenges as well as their solutions, patterns emerged, revealing a significant conclusion—*there exist twelve universal activities that all leaders perform on a daily basis*—regardless of organization type, and these activities are not taught in business schools or OJT programs!

Just as a biologist uses taxonomy to categorize life species, I categorized the activities into four groups—Strategizing, Learning, Performing, and Forecasting—and these are the cornerstones of Enterprise Thinking, a comprehensive and holistic approach to leadership and management. Know Enterprise Thinking and you will clearly know what you are paid to think about.

What Enterprise Thinking Means to You and Your Organization

The word “enterprise” seems apropos for a leadership model that makes holistic, unsiloed organizations a reality. Just as enterprise integration and enterprise architecture are used by IT professionals to technologically integrate all the tentacles of organizations for greater efficiencies and better outcomes, think of Enterprise Thinking as the leader's mental arsenal to accomplish the same. Because all of Enterprise Thinking—the twelve activities and their companion tools, such as processes, concepts, methodologies, charts, forms, and principles—is universal, scalable, and transferrable, you and others within your organization will achieve desired outcomes more reliably and more often. An added bonus is that everyone in your organization will be equipped with a common vocabulary that will accelerate the rates of individual and organizational achievement. Consider Enterprise Thinking as a rapid

means of getting your organization up to speed and on the same page, fast. Military leaders learned long ago that they didn't have a limitless reserve of time to build their troops, so they devised basic-training programs to teach a core set of tactical skills that would ready their teams for the job ahead. By selecting and teaching twelve hand-to-hand combat skills, leaders could arm their troops with a basic foundation of essential skills in six weeks and focus on expanding upon those skills later. Enterprise Thinking will serve a similar purpose within your organization both now and in years to come.

As you progressively make Enterprise Thinking a part of who you are, your current thinking and decision-making skills will improve. As you will see, you don't have to function at any particular management level, operate an organization in any specific industry or sector, or be familiar with any single culture to become an Enterprise Thinker. All you need is a desire to improve and the willingness to learn and use the tools you'll find in this book. The rest will unfold for you.

Perhaps you believe you already have all the tools you need. It wouldn't be the first time I've heard that sentiment, but all I ask is that you keep an open mind and give this a try. If you're not yet convinced that you want to move forward here, consider the process you currently use to strategically think. Can you outline the steps? Have you ever outlined the steps? If I were to ask your staff what strategic-thinking process your organization uses, would their model mirror yours?

Of the tens of thousands of decision makers who have been asked these questions, only a handful can answer yes. As you read through the chapters in this book, many of the questions and uncertainties you've most likely had about strategizing and decision making will dissolve, and in their place will be a newfound sense of clarity, direction, and confidence. Like the decision makers who have already learned these tools, you may begin to wonder how you ever got by without them.

Enterprise Thinking provides you with the ability to think through the numerous solutions available, gives you the right tools to make a solid decision rapidly, and shows you how to set your best solution in motion immediately so you can enjoy peace of mind knowing that everything will work out as intended.

An Overview of the Enterprise Thinking Categories and Corresponding Activities

Before you and I get into the specifics of Enterprise Thinking (ET), let's begin with an overview of the approach, its four categories, and their

accompanying activities. In the pie-shaped diagram, Figure 1.1, each consumes an exact quarter of the figure, indicating each category’s equal value to you. If we had the benefit of 3D, the figure would constantly be in motion, since none of the categories and activities fall in any chronological order, nor does any single category take precedence over another. They work as an interconnected web, where you are constantly drawing from the contents of all four categories; therefore, as you get stronger in one category, you automatically get better in all others, as well. The concept is similar to the athlete who improves one muscle group and ultimately bolsters overall potential.

The cyclone in the center of the figure represents your mind’s natural tendency to rapidly gather and swirl thoughts. Every day, you constantly pull from all four categories as you search for ways to lead others and improve your organization. But, as noted above, you don’t just travel into one category, back out, then go to the next. Instead, your mind darts from one category to another, blending thoughts and activities together. That’s why the lines separating each category are left open near the cyclone; the open gaps signify the free, haphazard flow of ideas that eventually give birth to new solutions.



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Figure 1.1—Enterprise Thinking

We will go over each activity in its entirety in later chapters. For now, here is an overview of the four categories:

- **Strategizing:** Due to the fact that your mind is typically abuzz with thoughts of how you can improve your organization and strengthen its ability to function, you are strategizing all the time. Yet, if you were to attempt to break down your strategizing into a stepped thought process, you'd probably struggle to pin down just *how* you do it. In the Strategizing category, you will learn the processes and tools you need to effectively develop targeted strategies that drive your organization forward, and at the same time, direct every project, initiative, group member, and resource toward common goals to maximize their collective strengths. This category encompasses the activities of developing strategically superior plans, creating new products and services, establishing alliances, and leveraging technology to accelerate organizational and individual achievement.
- **Learning:** As a leader, you are continually in one of two states of learning. You're either gaining awareness about a topic or you are developing in-depth knowledge. When it comes to learning, most leaders don't realize that they spend most of their time becoming *aware* of topics and not enough time building actual knowledge. As a result, they may know they *should* make changes, but they lack the information and depth of knowledge needed to actually effect transformation. This is often what happens when you attend a conference or read a book. You get excited about the material, decide you want to make changes, but then never can seem to take what you've "learned" a step further to create change. Within the Learning category, you will gain an understanding of how to acquire new knowledge (more than simply awareness), enhance your global awareness, and watch your competition in ways that give your organization the edge it needs to survive and thrive now and well into the future. You will also discover how these three activities play upon each other, and how they will improve your decision-making skills.
- **Performing:** The role of leadership demands that you put into action steps from the other ET categories. Whether you're leading directly or indirectly, you must perform specific action-related activities to be an effective decision maker. While the other three categories of Enterprise Thinking focus on *thinking*-related activities to ensure that you make good decisions before acting upon them,

the Performing category addresses action itself: how you take action, how you engage in internal dialog to determine your next best steps, and how you reach organizational goals through other people. The activities, tools, and knowledge you will acquire in this category are universal and easily adaptable to any leadership style, so you can still be yourself while becoming a more effective leader and manager than you are today. In the Performing category, the activities you will learn about are leading the charge, empowering others, innovating everywhere, and effectively selling your ideas and objectives, all of which will enhance your ability to better achieve desired outcomes.

- **Forecasting:** Leadership is about looking far enough ahead to envision and build a promising future for one's organization, so in essence you are always forecasting. There are specific activities and tools you can use to gain a more comprehensive perspective and, therefore, be more on target with the decisions you make. The better you are at forecasting opportunities and challenges within and outside your organization—economic and political evolutions, industry cycles and changes, and global trends and patterns—the better you'll be at making decisions today that have lasting power well into the future. The Forecasting category shows you how to gain a future-oriented mindset necessary to forecast tomorrow's trends, opportunities, and challenges to better ensure a strong and healthy future for your organization, your career, and your life.

The interconnectivity of all four categories mirror the realities of leadership thought processes in any given day. For example, say that you discover through a trade journal article that your primary supplier of raw materials is facing serious financial problems (Learning). You immediately begin searching alternate options in the event that this supplier is unable to deliver product and thinking through the ramifications of broaching the subject with the supplier immediately (Strategizing). You need to apprise your team of the impending development, and you contemplate assigning the search for a new supplier to one of your staff members (Performing). Maybe the time has come to add new technology, reducing the need for this or any other supplier, because it seems that trends on the horizon are impacting business earlier than expected (Forecasting).

Perhaps already you can see how much easier it is going to be to develop leadership within yourself and others by learning about concrete activities and tools versus trying to emulate personality traits like “persevering,”

“intelligent,” “charismatic,” “driven,” “focused,” or “organized.” Enterprise Thinking provides you with a practical, proven, step-by-step guide that empowers leaders of all abilities and degrees of experience to realize their greatest potential.

The Universality of Enterprise Thinking

Any decision maker can use Enterprise Thinking to solve daily challenges because of its universality. People at all management levels, geographic locations, industries, and even your other stakeholders, including suppliers, lenders, and strategic allies, can equally benefit from Enterprise Thinking. By sharing a set of universal tools, you can all work more effectively to achieve common desired outcomes. Acting in unison helps break the silos that foster a “we versus them” mentality that can impede progress.

The 7Crosses™ of ET

Cross Functional (HR, Engineering, Logistics, etc.)
Cross Level (CEO, VP, Manager, Director, Superintendent, Colonel)
Cross Industry (Nano Technology, Garbage Removal, Retail)
Cross Sector (Profit, Not for Profit, Military, Education, Government)
Cross Culture (Irish, Australian, Chilean - Asian, European, American - Latino)
Cross Time (Caesar, Napoleon, Ghengis Kahn, Gandhi)
Cross Life (ET works at work, home, and play)
ET is universal and therefore, can be used anywhere, for any reason.

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Figure 1.2—The 7Crosses™ of ET

The approach’s universality is summed up in the 7Crosses of ET:

1. **Cross functional.** ET is cross functional, because people in all disciplines, including finance, HR, engineering, logistics, and marketing, daily engage in the same activities. With ET, you can interconnect and communicate better among your peers and with colleagues in other disciplines.
2. **Cross level.** From senior level down to the front line, and from the small business owner to the regional manager, everyone engages in the same activities, so it makes sense to share ET to multiply achievement throughout your organization.
3. **Cross industry.** Leaders and managers from nanotechnology to supply chain, and from trash removal to retail can use ET,

because the activities are exactly the same for every industry. This is a huge plus when you want to transition your career from one industry to another.

4. **Cross sector.** Wherever possible, I have used the words “organization” or “group” to describe your workplace or any other leadership environment, since ET is for leaders and managers in private and public sectors alike. Whether your expertise lies in the military, government, or education, or you work in a non-profit or association, ET enables you to work capably with colleagues outside your sector, too.
5. **Cross culture.** ET’s universality means your geographic location will not prevent you from becoming an Enterprise Thinker. Use ET to bridge cultural boundaries, dissolve cultural divisions, and make visible solutions and opportunities that you may have previously overlooked.
6. **Cross time.** Whether you’re comparing the similarity of challenges between historical and present-day leaders or the similarity of leadership activities you performed early on in your career versus today, you’ll see that the challenges and activities of leading and managing haven’t changed. The specific tools have changed, yet the premise of creating new products and services, establishing alliances, and empowering others, has not. As a result, you can acquire and use ET as readily in the early stages of your career as you can in the latter stages, building skill upon skill over the span of your work life.
7. **Cross life.** ET can be used outside your organizational environment: at home and anywhere else that requires you to make good decisions. For example, an ET tool used to develop a standard procedure in your office can also be used to outline an emergency fire drill procedure in your home.

ET will not only help you build the next generation of leaders, but it will expand your pool of prospective leaders across geographies, cultures, industries, sectors, and management levels. Between 50% and 75% of U.S. senior managers became eligible for retirement in 2010,⁵ nearly a third of employers worldwide report suffering from a shortage of qualified leaders to fill the shoes of retiring senior managers,⁶ and 44% of Chinese executives view lack of leadership talent as their biggest barrier to achieving their global ambitions.⁷ In this day and age, you need a reliable instrument to build tomorrow’s leaders.

ET is universal enough that you can work it compatibly into other leadership and management processes, also. If you already have a leadership-performance program in progress—Six Sigma, Balanced Scorecard, etc.—ET will accelerate and enhance its effectiveness by increasing performance, driving internal business processes, promoting future-oriented strategizing, heightening learning, distributing knowledge and skills, and improving decision-making capabilities throughout your organization. In essence, ET surrounds your leadership and management with a framework that fosters and supports success.

The 50,000-Foot Perspective

My first flying lesson took place in a two-seat Piper with an instructor named Beth. Little did I know as the two of us taxied the plane down the runway and took off into the sky that I was about to get more than a lesson in aircraft navigation. Looking down, I saw the airport drop away and the landscape below take on an unfamiliar appearance. Boundaries that separated farms, villages, and counties seemingly disappeared, and my perspective of Central New York instantly expanded. Even though I had flown in commercial airplanes many times before, I realized after landing the plane that my mind's eye would never picture the region around my home as it had before.

As a decision maker, you're a pilot, too. You have to know your organization's "landscape," and you need certain tools to help you navigate it. In essence, your job is to keep your organization on course to arrive at its desired destinations.

The higher you rise in your organization, or the more you wish to have an impact, the broader your perspective needs to become. You have to see that departments, teams, organizational units, competitors, vendors, customers, and markets are separated only by artificial boundaries; from your figurative 50,000-foot aerial view, you work with a single interlinked landscape. And it's that view that you need to maintain when you're performing your daily activities, because a decision made in one area has an effect on the whole.

Not everyone in your organization needs to have the same 50,000-foot perspective that you maintain, especially when you build the systems and structures that integrate all the components into one holistically functioning unit. Of course, having managers who share your similar perspective will strengthen your organization. That's where a blending of ET activities,

from empowering others to leveraging technology, will ensure that your entire organization is operating optimally. ET's tools support those activities, preventing you from becoming the gourmet restaurant that loses patrons because of your dirty restroom and showing you how to be the fastest-growing tech company because your departmental collaborations bring product to market faster than your competition can. An elevated mental perspective is essential to winning in today's world.

An Underlying Precept That Improves Decision Making

We've become quick to reward people for *doing* rather than *thinking*, mistaking busyness for progress and assuming that inactivity equals regression. As a person who is paid to think, however, your best contribution to your organization is most often not physical busyness but rather the activity that takes place in your mind beforehand. To avoid impeding yourself and your organization, you must not leap to action before truly understanding a situation or knowing your best options prior to making decisions.

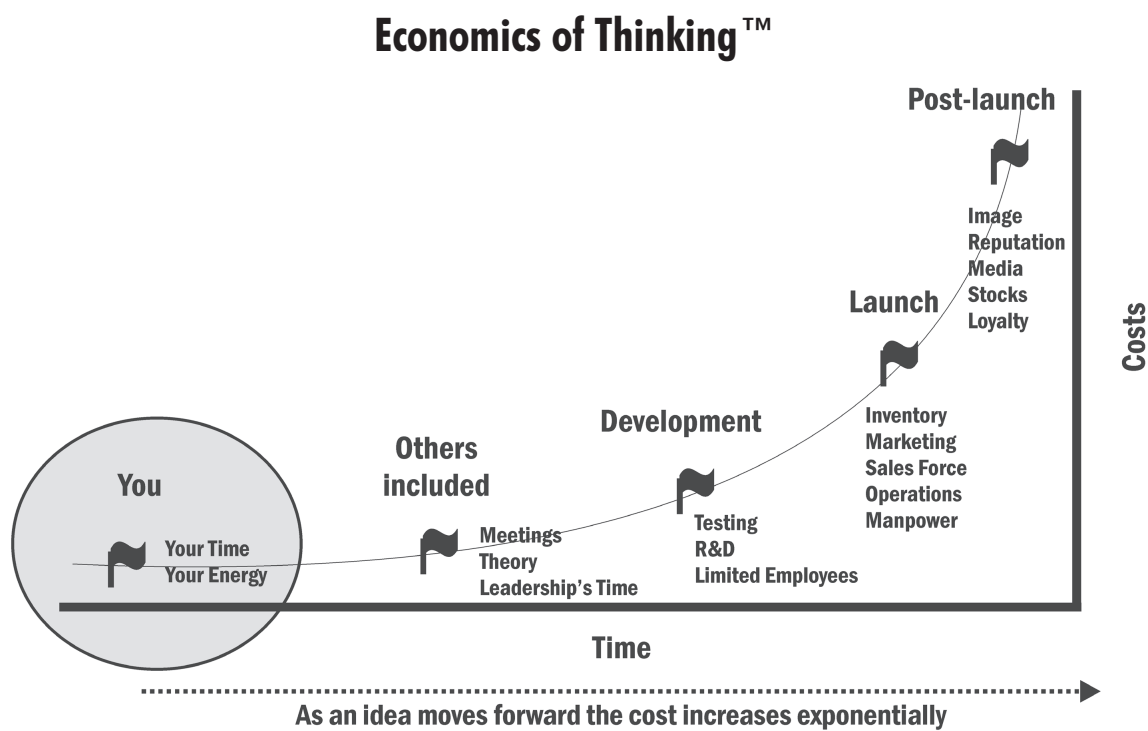
Every day, you face a wide range of challenges at your job, such as deciding how to handle an underachieving staffer, knowing whether to improve upon a product or scratch it altogether in favor of a new one, and determining what it will take to keep a key client from the clutches of an aggressive competitor. If you were to watch yourself addressing daily challenges from the vantage point of an outside observer, what would you see? A person thinking at a desk? A leader heading up a meeting asking others for input? A "go-getter" putting the wheels in immediate motion?

What I've found in my work with decision makers is that it's common for them to jump to action too quickly—the downside of heralding "execution" too fervently—before they've adequately gathered and thought through their most advantageous options.

Obviously, time is money and what got you to where you are is your ability to act and achieve results. However, there's an excellent chance that you've rushed to action on numerous occasions without having made (or even entertained) the best decision you could have. Even a seemingly benign press of a "send" key can set off a domino effect of costly missteps, forcing you to unnecessarily overspend resources without achieving your intended outcomes. In other words, there are costs of not thinking and there are rewards for great decision making.

However, with the right tools and know-how, you can deliver exceptional value to your organization through efficient and purposeful thinking. I call one such tool the Economics of Thinking. Simply put: *The better able a leader is to think through an idea before committing to action, the greater the chances an organization has to achieve higher returns, all while mitigating risk and reducing expense.*

Your job is to think through ideas well enough so that when they are put into action, they achieve the results you want. The diagram of the Economics of Thinking (Figure 1.3) illustrates the correlation between thinking and costs, showing that it's far cheaper to think than to launch any initiative. In the diagram, time is represented on the x-axis and capital/resources expenditures on the y-axis. As a leader progresses his or her idea along the timeline, costs rise. In brief, thinking better, faster, and more accurately before you act improves the chances that the idea or initiative is a winning one and worth the expenditures that will be made in later stages of development and launch.



Spend more time thinking through an idea up front so that when it is launched, it's successful.

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Figure 1.3—Economics of Thinking™

When you first contemplate choosing and launching any new initiative, you begin to ask yourself many questions. Maybe you're wondering if you have the time or resources or which technologies and tactics are the best for the situation. Right now, your initiative is just an idea you are mulling over in

your mind. In the diagram above, this stage of the process is represented by the shaded circle. Your objective here is to expend your own time and energy thinking through your idea. Compared to the action you'll be taking later, your thinking at this juncture is relatively inexpensive.

As your idea progresses forward, you reach beyond your own thoughts to gather new information, insight, and input from other people such as designers, architects, staffers, specialists, and vendors. You are still expending your own time, but now, because you are also involving others and pulling them away from their current responsibilities, you're spending more money. However, the costs are still not as high as they will be later when you develop and launch your idea. Already you can see that if you do the necessary thinking-related activities, you can make a better determination to either develop your idea or make changes before proceeding.

If you decide to proceed with your idea or initiative, it is at this development stage where you begin to add staff, use organizational resources, and spend capital. Now, the pace of investment costs accelerates well beyond what you had spent in the first two stages. All of the pre-thinking that occurred before this point will improve the chances that you have a winning idea versus one that could be unnecessarily costly to your organization and possibly to your career.

When you finally launch the initiative, your costs peak (with the post-launch effects). If you hadn't thought the initiative through well enough at the beginning (or should have stopped but didn't), then you now suffer the losses associated with a bad launch. No one enjoys losing money, watching great staff members leave, dealing with poor media exposure, attempting to redeem a tarnished reputation, regaining lost lines of credit or dropped bond ratings, and struggling to earn back investors' trust.

The costs of any idea's development and launch, large or small, are enormous compared to those early days spent thinking. This reality impacts nonprofits and government-funded entities just the same as it does businesses and corporations. The Economics of Thinking works for any leader at any time.

Take Ron Righter, a college basketball coach for twenty-seven years, who engaged the Economics of Thinking to improve Clarion University's athletic recruiting process. Like many coaches, prior to revamping the university's recruiting process, Righter would spend a full season going through the process of recruiting basketball players, each year finding himself working throughout the summers and pushing deadlines. With the old process, he just couldn't land all of the talent he needed as efficiently as he wanted, and

often, not unlike all his coaching colleagues, he was still scrambling to recruit players into August or even into September.

A few years ago, Righter and five coaches of other sports teams at the university took some time to change their approach. I collaborated with them to come up with a powerful one-page strategic and tactical plan for their recruiting program. Two months into the season, Righter stopped me during a meeting to express how happy he was with the outcome. “Typically, at this two-month mark, I’m still reviewing candidates and praying that I secure the talent I need,” he said. “For the first time ever, I went five-for-five, signing every student athlete I wanted. I even landed the number-one athlete in Pittsburgh, which would never have happened if I hadn’t been thinking bigger and following the plan. In all my years coaching, this will be the first time I’ll have a full summer to start getting ready for next year’s schedule.”

The Economics of Thinking enabled the coaches to come up with a better process that freed up their time, gave them peace of mind, and captured high-caliber student athletes for their sports teams. And on the financial side, Clarion’s athletic director, Bob Carlson calculated that in two tested sports, the new strategy generated more than \$144,000 in freed-up cash with less effort expended by the coaches.

The Benefits of Interplaying Concepts and Tools

As you read through *Paid to Think*, you will come to realize more and more that Enterprise Thinking’s activities, concepts, and tools can be combined in limitless ways to create opportunities and solve challenges. For instance, you just learned about three overarching precepts: the universality of ET, the 50,000-foot perspective, and the Economics of Thinking. See how they played out for an Enterprise Thinker named Shelley Zapp.

UNIT4 (formerly Agresso North America), a Victoria, British Columbia, subsidiary of the \$500-million Enterprise Resource Planning (ERP) company (headquartered in the Netherlands), had a significant hurdle to overcome. The company was bursting at the seams, and UNIT4’s software-installation team needed to hire thirty additional employees in its professional services department to keep up with demand. The issue at hand: this staff increase would double the installation team’s size, which had just doubled the previous year, posing a challenge to managers.

Since being promoted to president of UNIT4, Shelley Zapp had broken revenue numbers. She worked efficiently and had pulled together a stellar

team. Now the subsidiary's rapid growth was in danger of slowing down, because the installation team couldn't keep pace with sales. The sales staff didn't want to close a software system deal only to have to tell their client that installation wouldn't begin for another six months. But the company's sales cycle operated on a six- to twenty-four-month sales cycle with hundred-thousand- and multimillion-dollar deals, so any letup in sales would deliver a big blow to the company's long-term revenues.

Zapp and her management team thought through their challenges in a two-day strategy session. They stepped back to understand where their biggest challenges existed, which skill sets each manager brought to the table, and where those skills could best be used, forgetting titles and current roles.

Their strategy was to keep UNIT4 operating at full speed and on target for explosive growth during a major staffing ramp-up. After two days of strategic and tactical thinking, Zapp's team had arrived at a two-part solution.

First, they eliminated silos by temporarily reallocating some management responsibilities of the VP of program management to the director of operations and the VP of sales and marketing; the latter two not only had the time to assist, but they also had the skills and leadership tools to work successfully outside their positions. This gave the VP of program management more time to hire the right thirty people, and Zapp stepped in to assist in the hiring process, thereby shortening the time it took to get new hires productive.

Second, they leveraged technology to allow clients to enter their own data into UNIT4's system during the pre-installation stage. This freed up time for Zapp's people to focus on internal changes aimed at growing the installation team without compromising its ability to install new products. Sales doubled again!

Taking the time to think through their best options before making a decision focused Zapp's team on addressing its highest priorities first. In addition, the universality of ET meant that all leaders were equally empowered with the right mental "equipment" to utilize their talents where the organization needed them most. And finally, the 50,000-foot approach to thinking ignored silos and allowed those decision makers to bypass the traditional boundaries that compartmentalize thinking-related resources so that each leader could make their highest contribution to the organization.

What's Ahead

Paid to Think is divided into four sections, each corresponding to one of the four categories of ET activities. You've most likely concluded by now that you

will learn the specifics of each category and will be provided with instructions on how to perform the activities and use the tools. You may start to believe that in order to be a great Enterprise Thinker, you must master every activity to improve your performance, *but nothing could be further from the truth*. Instead, I want you to think of ET as a group of activities that are so enmeshed with each other that even a slight improvement in one will improve the performance of others.

Strategizing is the topic of the first section, yet its chronological positioning in no way means that you must (or should) perform Strategizing activities first. In fact, none of the categories have to be performed sequentially; they are not linear, and they do not fall within any hierarchy of importance. For educational purposes, Strategizing appears first only because many of its tools and language form the basis for the other three categories' activities and tools.

In the introduction to this book, I touched on the frustrations of leaders who read great books but find themselves unable to duplicate the books' suggestions. I assure you that you won't experience this issue here, because I will provide you with instructions on how to perform each activity and how to use each tool.

Before you get into these four categories of activities, we need to lay the foundation for learning by expanding your mind. In Chapter 2, some of your existing beliefs about leading and managing will be challenged. Although many of your beliefs may already be true, surely there are times when you've said, "I have to rethink this," and come up with better solutions. By expanding your perspectives, more opportunities will become visible to you. Take the time to consider some of the new perspectives presented in the next chapter, for they are important foundational concepts that you will use throughout subsequent chapters to perform ET activities and to build your tool kit.

Finally, I doubt you'll complete this book and ask, "What should I do now?" Instead, your mind will be abuzz with all the possibilities that you can now see before you, and I expect that you'll be excited to start applying what you've learned. As an added bonus, you'll progressively see blocks of time opening up in your schedule, giving you more time to think, plan, and create a better future for your organization . . . to do what you're paid to do.

2

RETHINKING

EVEN THE BEST LEADERS CAN benefit from adopting a new perspective or expanding upon an old one. Take, for instance, Sheila, an attorney who works as the head of marketing for a multinational legal firm specializing in intellectual property. Intelligent and progressive, this perpetual learner would be an asset to any organization. Yet, even she admits that it wasn't until after rethinking some of her perceptions about managing a team of global subordinates that she was able to identify opportunities and solutions as readily as she does today.

Sheila explains an incident during which she received an e-mail from a subordinate who blamed his late assignments on the constant crashing of his computer. She had become instantly annoyed, because the computer issue had been ongoing for months, and Sheila was being pressured by upper management to turn around work for their clients faster and on time.

"Why can't this guy handle even the simplest of tasks on his own?" she thought. "After all, I oversee this entire department, I've got reports due this afternoon, the meeting on Friday to prepare for, and now this? I don't have time to hold Marty's hand today." The more she thought about it, the more Sheila couldn't understand why he couldn't just solve his own challenge.

All the managers in Sheila's division had been under a lot of pressure to do more with less lately, and this incident was just adding to the pressure. Looking back, she couldn't identify where the problem originated, since the firm provided seemingly adequate training, positive reinforcement, and incentive programs.

Moments later, her boss walked into her office and closed the door. "Sheila, I want you to take a look at this. It's some information about a new software

program that can consolidate data from accounting and sales. The rep I just spoke with estimates that you could shave between seven and twelve hours a week off your number-crunching time. Take this file home with you tonight, and let me know what you think about it in the morning.”

Instantly, she was excited at the prospect of saving that much time in a single week. “What I could do with that kind of time! This thing could really take some of the pressure off.”

In that moment, Sheila had a sudden epiphany that gripped her with guilt. Her boss was presenting her with a tool to make her work life easier. How many times had she overlooked opportunities to do the same for *her* subordinates? She would have to rethink her approach to solving Marty’s challenge.

A simple upgrade to Marty’s computer—an action that she, not Marty, had the authorization to approve—would result in more projects being completed on time. Sheila picked up the phone and called Marty. “Let’s talk about this problem you’re having with your computer.”

Within days, Sheila had solved an ongoing challenge by rethinking. In this instance, by focusing her attention on systems and structures rather than on employee performance alone, which is more often than not a leadership reaction, Sheila could see more and better options for solving her challenge. Every leader can open more doors of opportunity by rethinking their beliefs. Rethinking expands your scope of mental options, jars your habitual thought processes out of their ruts, and awakens your mind to new possibilities.

Challenging Your Current Viewpoints

Let’s explore and challenge a few concepts that you may have accepted as conventional wisdom but that aren’t necessarily working in your favor. As you engage in rethinking, you will make immediate sense of some of these new perspectives while others will require you to take longer to digest and assimilate, simply because they may run counterintuitive to beliefs you’ve held about leadership and management. Taking the time to accept and integrate new ideas is always one of the challenges of learning something new, but as long as you’re present and open, you will complete this book changed, improved, and empowered as a better leader and manager.

It’s time to prep your mind and open pathways for new ways of thinking. These rethinking concepts will come back into play in upcoming chapters, some of them playing a critical part in key Enterprise Thinking tools and activities.

Rethink Your Assumptions about Leadership and Management

Do you think of yourself as a leader or manager? Typically, people associate themselves more strongly with one or the other because of the specific characteristics they apply to each title. Yet if you were to closely consider the responsibilities of each—managing people, selecting projects, weighing in on budgets, prioritizing, developing strategy, working relationships, innovating, and so on—you'd see that in reality, if you hold a decision-making position, you're both a leader and a manager.

Former AARP CEO Bill Novelli once told me that he had 120 managers on his leadership team. His use of the integrated terminology—calling managers leaders and vice versa—was a display of Novelli's understanding that there's an interconnectivity between how leaders manage and how managers lead. Without understanding the functions of both roles, no one could do their job well. Try to manage a group of people without leading them, and you'll get nowhere fast.

Over the years I've seen how even the best and brightest decision makers unconsciously allow their stereotypes and assumptions about leadership and management to hinder their ability to achieve. This belief that the two disciplines are different developed over the course of several generations, almost by default. But if you were to see how we arrived at the point in which we work today, we would better understand how to reverse our success-blocking thoughts and how to incorporate the best features of both roles into our day-to-day lives.

Both leadership and management have very different roots in history. In Western civilization's early history, leadership played a role in large organizations, which primarily consisted of religious groups and militaries. Prior to the 1870s, when 26,000 workers built the U.S. transcontinental railroad, very few large private commercial organizations even existed. Educated people typically had military experience, so they were versed in the intricacies of leadership, not management, where leaders were expected to play a hands-on role, accompanying their troops onto the battlefield and guiding their forces through missions.

Circumstances forged the leader's methodologies. Mobilizing large forces with limited means of communication and travel meant that leaders had to plan strategies and tactics well in advance since unexpected needs weren't likely to be met in real time. If the leader and his group traveled by horseback for a couple of days to reach a battle site, they couldn't radio home base for reinforcements or to complain about sexual harassment within a particular

unit. Everyone had to be battle ready. Planning tools—like Julius Caesar’s battlefield simulations played out in a sandbox—prepared the leader and his troops. So, historically, leaders were actively engaged in developing strategy and guiding others through tactics.

Then management entered the picture. Although evidence exists that management techniques were employed by the Egyptians⁸ as far back as 4000 BC, we consider modern-day management to be little more than a hundred years young, coinciding with the emergence of industrialization.

Modern management principals and technological advancements have their purpose, and they have improved leadership in many ways, but they have had a negative effect on leadership, too. For one, management has often clouded the role of the leader and weakened it. When managers entered the scene, leaders moved from their on-the-field command positions to the seclusion of the executive office, rendering many (though certainly not all) decision makers out of touch with the realities that challenged their organizations. This is still the case today.

For example, one director of operations (DO) for a national association explained that she is overwhelmed by the barrage of demands placed on her by the president to whom she reports. The president reminds the DO and her colleagues regularly that it’s his job to come up with ideas, and it’s their job to make them happen. However, he doesn’t follow through on creating winning strategies, and he is never present to assist and guide others as they execute on tactics. Because of his perceptions about leadership and management, he gets in the way of his organization’s ability to succeed.

The pendulum has swung too far in any one direction; the mindset of leaders being in ivory towers and managers working the front lines needs to change if we want to make our organizations stronger and more effective. Regardless of their titles, decision makers need the skills of both disciplines, and I use both terms interchangeably throughout the book to refer to anyone in a decision-making role. Enterprise Thinking integrates these skills and gives you the tools and instruction to act on them.

Rethink Your True Value to Your Organization

Have you thought about what your greatest value is to your organization? There may be times when you have to do some hands-on or labor-intensive tasks, especially if you’re part of a small business or volunteer organization, but if you are a decision maker, your greatest value comes not from your hands but from your mind. You weren’t hired to put out fires, to jump into

the trenches and work alongside your employees, to make your team feel loved, or even to charm the board of directors. You have no doubt found yourself participating in these activities from time to time, but your true value comes from your ability to develop successful strategies and to ensure that all organizational resources—internal and external, human, tangible and intangible—are orchestrated to reach desired outcomes. Whether you're establishing alliances, leveraging technology, or empowering others, your job is to continually improve how you make decisions from the 50,000-foot perspective. Part of your job is also to develop thinking skills in others, as this is key to building leaders who can take the organization into the future.

Likewise, in looking at where your value lies as a leader, you also should consider what doesn't provide value. In your role as a decision maker, you don't want to confuse busyness with providing value. Often we can feel that if we're not physically busy, then we must not be making progress. However, busy for the decision maker is different than it is for the front-line worker such as a production line employee or a volunteer working at a blood drive. You might perform some tactical duties, but your busyness is focused on thinking activities like strategizing, planning and overseeing projects, and building alliances that support your strategies.

During an August 2009 airing of the public television program *CEO Exchange*, Symantec Corporation's chairman and CEO John W. Thompson showed that he recognized his true role as leader of the company. An interviewer asked Thompson if he saw technological advances as being a threat. "I view all of them as an opportunity," he responded. "It may force us to reconfigure the way we think about our business, but that's what I get paid to do as a CEO."⁹

The leadership team at New York's Paulson and Co., a leading hedge fund, knows the value of thinking, and the firm's track record, which includes the successful leveraging of the 2008 financial meltdown, illustrates how well thinking can pay off. Senior Vice President Michael Waldorf ensures that operations at Paulson and Co. are running smoothly so that the firm's leader, John Paulson, has time to develop effective strategies—like the one he created to short subprime lenders and generate \$17 billion in profits for clients in 2007 and again in 2008. Although your organization will have its ups and downs from one year to the next, having decision makers who understand the value of thinking will bring more ups to the table.

Peter Blake, the CEO of Ritchie Brothers, a world leader in the auctioning of heavy-duty construction equipment, understands that his job is to think, and his days are filled with the types of "busyness" that feed his thinking and

improve his decision making. Responsible for managing a firm that grosses \$3.2 billion in sales, Blake still takes time to host regular “Eat-with-Pete” luncheons, where employees throughout the company can share their problems, issues, and ideas with their CEO. These discussions trigger Blake’s own thinking, as he and his team develop strategies for the firm’s future. While Blake doesn’t hesitate to pick up garbage as he walks in through the parking lot, help set up for auctions and meetings, or sit in on important sales calls, he knows that thinking is how he provides value to Ritchie Brothers and maintains its success as a market leader.

Knowing your value—and how it’s tied in with thinking and developing thinking skills in others and not with physical busyness—helps you determine where best to expend your time and energy.

Rethink What Constitutes “Winning”: The Benefits of Winning by a Nose

Many decision makers put a lot of pressure on themselves to come up with the next killer idea, believing that they have to wow customers, prospective employees, or other stakeholders in order to win sales, key talent, or other advantages for their organizations. But you don’t always have to reel in the “big fish” to enjoy great rewards. In fact, more often than people realize, great rewards don’t necessarily come from earth-shattering factors. Instead, they are oftentimes the result of minor factors that cause us to win or lose “by a nose.”

In case you are not familiar with the terminology of winning or losing by a nose, let me explain its origin. Have you ever seen a horse race in which one horse won by the narrow margin of inching his nose over the finish line before the second-place horse? This horse achieves a win by a nose (WBAN)—and his stakeholders go home with a huge pile of cash—while horse number two loses out on the big win by a nose.

Organizations can win and lose by a nose, too. And whether it’s losing by a nose or by a long shot, you’ve still lost the prize. When you go out on a sales call and you lose by a nose, you lose the whole sale as well as everything you invested in pursuing it. These by-a-nose defeats can pack a major punch to your organization or career. Take for instance Common Councilor Michael Heagerty of Syracuse, New York. He needed 335 valid signatures on his petition to run for reelection on the Democratic Party line, a generally routine task for any incumbent. He was mortified to find that he ended up one signature short . . . and that *he* forgot to sign his own petition.¹⁰ The spot on ballots where Heagerty’s name was supposed to appear remained blank for the election.

WBANs are powerful, whether you're talking signatures or votes in politics, artillery strikes in military battles, sales in businesses, public perception or funding in nonprofits, or countless other circumstances related to every other type of organization. They are, in fact, so powerful that they can mean the difference between life and death for people, careers, organizations, movements, cultures, and countries.

In your organization, you need to look at all areas and all factors that could potentially make or break a success. Also remember these two principles:

1. *A micro adjustment can determine a by-a-nose win or loss.* A micro adjustment can determine a by-a-nose win or loss. Space Exploration Technologies (SpaceX), founded by native South African Elon Musk who also founded PayPal and Tesla Motors, exists for “space exploration and the extension of life to multiple planets,”¹¹ putting satellites in space at a fraction of competitors’ costs. Its first two \$6-million rockets failed on launch, and the third suffered a loss-by-a-nose at an altitude of 217km when a single line of code did not allow enough time for “commanding main engine shut down and stage separation.”¹² In other words, the fate of a multi-million-dollar project rested on a single line of code within a rocket’s millions of lines of code, a simple loss by a nose.
2. *A by-a-nose win or loss can dramatically change your outcomes.* Russell, a manager from Bayer Healthcare Pharmaceuticals, was responsible for a team of eight sales executives covering the eastern part of the United States. On the West Coast, another Bayer sales manager headed a team of nine. Russell told me how each year Bayer gives a bonus to the team that best meets or exceeds budgeted revenue goals. One year, Russell’s East Coast team was excited about coming in at 108.3% of a budget running in the hundreds of millions of dollars in revenues. Then, the numbers came in from the West Coast. At 108.7% of budget, the West Coast team had eked out a win by a mere 0.4%. The narrow loss robbed each member of Russell’s high-achieving group of a \$25,000 bonus: a big hit for a job with an annual average salary of about \$80,000.

Consider if you were able to land a few more of your lost wins. If you had just one more sale per day in a retail shop, one more home sold per month in real estate, 1% more of your customers saying “Yes!” These small improvements can snowball into huge results.

Take, for example, a bid by your organization on one hundred jobs a year. If your staff wins half of them, you might be able to accept twenty-five of the lost bids as bad matches for your firm—too small or big, unrealistic delivery dates, not profitable enough, etc.—but what about the other twenty-five losses? Perhaps you lost them by a nose: a botched detail perhaps, or a deadline missed by an hour. In one true incident, a client of mine named Rich said he lost a sale, because a competitor put the prospective buyer's logo on a proposal, and Rich didn't. Imagine getting the phone call saying that the only advantage your competitor had over you was that his placement of a logo showed that he "cared more."

Do the math. If you had won just 10% more of the contracts you had lost, what would your world be like today? Remember you've already done all the traveling, mock-ups, research, and proposal work. If you're going to invest the time, energy, and money into an endeavor, you might as well walk away a winner, even if the win is only by a nose, because micro wins can result in huge changes. One client mentioned that if he won 10% more of his contracts, he would not have enough project managers to handle capacity nor would he be able to manage the cash flow of his \$3 billion organization.

Here's another example. Suppose you put measures in place to make it possible for your production department to ship just 20% of goods a single day sooner than you do now, and the time compression grew your bottom line by 4%. With that success, you might now be in a position to fund a project that could grow the bottom line by an additional 20% next year. The big-picture solution is to continually rethink current beliefs to bring new opportunities for growth and rewards into view.

Rethink Your Belief That People Hate Change

Why do we constantly hear that people hate change, when there's evidence to the contrary? After all, people love receiving pay raises, moving into their dream home, welcoming the arrival of a new baby, and finding a fun, new restaurant to frequent. And no one from Oprah's audience¹³ complained when she gave them a car, even though that was a "change." In actuality, people don't repel *all* change, only change that is negative—and in some instances when change is perceived as negative because it simply wasn't expected.

Though it seems obvious that you need to manage the changes that take place within your organization so that they produce favorable outcomes, this feat can be easier said than done. That's because the changes people hate and resist—negative and unexpected changes—are the ones that are most

common in organizations: modifications to a benefits program that make paychecks come up twenty dollars short, a new computer system that requires overtime hours to work out the kinks, an additional weekly meeting added to the schedule that takes away time from other tasks, and so on.

Years ago, a state-run environmental conservation organization replaced its manual process of administering hunting and fishing licenses with a computerized system. The new system cost \$15 million and initially extended patrons' wait time from twenty minutes to five hours and fourteen minutes. Imagine dealing with those customers. If you worked at this organization, how receptive would you be to the next initiative? Change is necessary in organizations—without it, organizations stagnate and die. So despite resistant workers, as a decision maker you have to forge ahead with making the upgrades and improvements that sustain and grow your organization. Understanding why people resist change and which types of changes they actually hate will help you do the job your organization needs and achieve targeted results. However, the first step is properly rolling out the change.

When you know how to introduce change and how to follow it through so your group achieves more gains with fewer pains, change can become a welcomed friend within your organization. Picture this: Kyle is a midlevel manager who picks up some ideas at a conference and decides to use them to develop a new initiative that he thinks may improve his organization. He pulls his team together to tell them the details of his plan. His team is not receptive to the change, because Kyle has a history of poor follow-through and for not thinking through projects well, and his staff is already overloaded with projects and will not receive extra pay for the late nights they'll have to work to complete this new initiative on time.

Let's change the story. After Kyle attends the inspiring conference, he doesn't rush ahead to tell his staff, but he lets them do their jobs while he takes time to think and to select one best idea from the many he came away with from the conference. Kyle gains input and ideas from a few coworkers as he develops a realistic plan.

After a week of refining the details, Kyle invites one coworker, Mary, to manage the project. He has calculated the ROI as \$200,000 for the next three years and he explains that if Mary's project comes in on time and on budget, he will reward her with a salary increase of \$2,000. Mary manages the project, and because Kyle has given her the supplies she needs and the right balance of freedom and direction to succeed, she finishes it a few weeks early, bringing additional benefits to their organization. In this scenario, Kyle, with Mary's help, has a Wildly Successful Project (WSP), and if this is Mary's first

experience with Kyle and his projects—versus an experience of him lacking follow-through and failure with projects—she’s going to be more receptive to changes initiated by him in the future.

Let me define what I mean by a Wildly Successful Project. A WSP is a completed project that demonstrates a manager’s ability to deliver results that extend beyond normal expectations and causes others to take notice. Typically, WSPs come from projects that others consider to be undesirable or challenging to pull off, not necessarily projects that are fun and easy to perform. For example, say that you’re on the board of an association whose president is looking for someone to tackle membership recruitment. You volunteer for the project at a time when no one else is willing to take on this huge challenge. Although you accept the responsibility of increasing membership by 10%, you actually achieve a 230% increase by improving your association’s product offerings, rolling out more attractive membership packages, and redirecting publicity to active members. By proving yourself as a person who delivers on challenging projects, you have added a WSP to your track record. Opportunities for completing WSPs are boundless; completing projects that enable your organization to gain a foothold in an emerging market or that turn around a money-bleeding social program would be considered WSPs, in contrast to average projects that are easy to do or that don’t present outstanding outcomes.

Like Kyle, you want to establish a track record of WSPs, because projects of this caliber do more than earn profits or funding. They also earn the confidence and trust of all organizational stakeholders, from the boardroom to the front line and from the managers on staff to the allies and colleagues external to your organization.

When you are known for your WSPs, you can more easily gain buy-in on future projects from the stakeholders who play a role in your success. If Kyle were your manager and he helped you succeed on past projects where the rewards involved promotions, awards, projects for your resume, or cash raises, how likely would you be to approach Kyle and *request* to manage more projects in the future? Is *your* group excited to take on more work? Do they come to you and ask for more work?

The kind of change that managers and leaders like Kyle introduce is both expected and positive. And people love this kind of change.

Rethink Your Concerns about Doing More with Less

If you feel you’re being expected to do more with less, you’re certainly not alone. “Employers are looking for ways to accelerate their business strategy

with fewer people,” says Jeffrey Joerres, chairman and CEO of employment giant Manpower.¹⁴ While the concept of doing more with less is true, it’s not new. Nor should you perceive it as a negative challenge. Throughout history, leaders have always needed to do more with less, and they have developed innumerable measures to improve speed, accuracy, and quality, all while decreasing costs. In 1792, Eli Whitney invented the cotton gin to do more with less. The invention increased productivity and improved quality at a lower cost and in less time than humans could. Two years later, horses were displaced by the first working steam locomotive that transported people and products faster and with greater storage capacities. In the 1900s, Henry Ford implemented the Persian assembly line to transform production and quicken the rate at which products came to market. In the 1950s, mainframe computers in the back room were a revolutionary step toward work efficiencies of the present.

With the emergence of computers, efficiencies have moved from the back room, where human labor was needed for manual activities such as production, farming, and construction, to the front office. The front office similarly transformed as leaders responded to doing more with less. Functions that were once performed manually—think manual accounting ledgers—became manually automated in the 1980s with personal desktop computers. Today, more functions are automated through local networks, intranets, and extranets. Imagine losing computers or e-mail for a day; how many other functions and people would you need to perform the same tasks? An accounting department might need a hundred people to do the job that twenty can do with the help of computers.

The next logical progression in our quest to do more with less will be to increase the speed and accuracy with which decision makers think. As far-fetched as it may sound, scientists already have technology in the works that is capable of merging human thought with automation to compensate for the unchanging rate of thinking. For now, there are numerous ways in which leaders and managers can do more with less to move their organizations forward no matter where they fall on history’s timeline. Leveraging technology and building systems and structures are among the ways to successfully accomplish this.

For example, e-file tax returns, online banking, self check-out lines, and self-serve movie ticket kiosks were all born from the enterprising desire to do more with less—and they’ve not only helped businesses, they’ve made consumers’ lives more convenient. In 2008, when e-commerce was down for the first time ever, online shoe retailer Zappos actually grew its gross merchandise sales to more than \$1 billion, because it successfully used

technology to provide excellent customer-service procedures such as ease of online ordering and returns, clear product displays, and rapid delivery times as well as to manage the databases of shoe suppliers, the coordination of shipping requirements, and the coordination of vendor warehouses. The online shoe company's COO/CFP Alfred Lin attributed the firm's ability to do more with less as the reason Zappos had cash flow in the black and even turned a profit.

Though the pressure appears to mount with the passage of time, rethink your beliefs that doing more with less is some new (and negative) challenge; it is a natural progression of potential opportunity, and it will always be. As you've been asked to do more with less, so, too, will those working in the year 2038 or 2078. Embrace the concept, because if you know what to do with that opportunity by using the tools you already have and the ones you will be learning in this book, you can generate limitless rewards.

Rethink Your Methods of Teaching and Learning about Leadership

With each passing year, the number of job candidates who are qualified for leadership positions decreases. That means eventually you'll have to educate the leaders of the future, if you're not doing so already.

Countless numbers of leaders gain much of their education from on-the-job training, where they watch and mimic the behaviors of others. This has its merits, but the serious downside is that the leaders in the making aren't necessarily learning how their mentoring leader thinks. You could watch a master gardener plant a rose bush and duplicate the behavior but still not understand the gardener's reasoning for selecting where that bush was planted, how it will be affected by other plants around it, and how to care for the plant in different seasons. This example shows how on the surface, actions can seem simple to duplicate, but when you try to act on your own without the rationale behind the actions, you can easily find yourself at a loss. The necessity of transferring thinking skills to new recruits is a big part of what makes being the teacher so challenging.

When you teach leadership, talking about what you do isn't always as important as teaching people how you think. Therefore, it may be more important to explain the series of thoughts that have led to a decision rather than the series of actions that have resulted in an outcome when you're grooming decision makers. From my work around the globe, I consistently see a vast majority of decision makers who miss this distinction between

teaching thought versus teaching action. Consider this “teaching moment.” Imagine that you have to fire an employee. Members of your management team watch him enter your office, emerge a few minutes later, clean out his desk, and leave. Everyone knows he missed an important deadline, but he’s only weeks away from his wedding, and this is a lousy time to lose his job. To some members of your leadership team, you look like an ogre. To others, this situation is interpreted as a normal occurrence when employees don’t work out. However, you know that there is an entire back story to this situation that your management staff doesn’t know.

So what do you do next? If your true desire is to build leaders, your next move is to explain to your team the thinking behind your actions. If you share your thoughts, others learn that this layoff wasn’t your angry response to one missed deadline. Instead, they understand how your decision came about after months of careful consideration and planning. You can divulge the following: “You may have seen that he rarely shows up for work on time. But there is more you might not know. For the last year, we’ve had two complaints about him regarding serious misconduct, and this is the third time he’s missed an important deadline. His performance numbers have fallen off, and though I’ve worked in direct contact with him for months now to improve his performance, it’s been to no avail. Considering the new objectives for the company, I realized that he has not and will not work out. So I have let him go, but I have come up with a plan for picking up the slack until we replace him.”

If you don’t explain how you think, the next generation of leaders could mistakenly believe that leadership is about making snap decisions rather than about the mental preparedness to recognize opportunities when they come along. By taking the time to explain your rationale and strategy, you strengthen the leadership of your organization and your up-and-coming leaders see that seemingly quick decisions actually can take days, months, or years to generate. As you learn Enterprise Thinking, you will acquire tools and instruction on how to develop a structured thinking process for yourself to use and that you can teach to others with success.

Invaluable to the growth and development of any organization is leadership’s ability to transfer to other decision makers how and what they think. General Electric’s Jack Welch has been a prime example of this strategy. During his tenure at GE, Welch regularly used his firm’s Crotonville facility on the Hudson River¹⁵ to educate his team of leaders about how they can think better as leaders and managers. In moments like these, leaders are developed. They need to see inside all the windows of thought, not just the

one you remember to reveal to them on rare occasions. When you teach people how to think, you empower them to make better decisions than they would have otherwise.

Rethink the Time Needed to Make Good Decisions

Earlier in this book I introduced the concept of the Economics of Thinking—the better able a leader is to think through an idea before committing to action, the greater the chances an organization has to achieve higher returns, all while mitigating risk, expense, and negative consequences. Certainly, the decisions you make carry immense weight, but also be aware that the *timing* of your decision making—when you arrive at a decision and when you decide to act upon it—is just as important as the decision itself! So, how much time should you spend thinking? Spending too little time (or too much) making a decision leads to negative outcomes instead of desired results.

The amount of time necessary to make a decision is going to be different for each person and for each project. A CEO who is addressing a large-scale expansion project may need two years to decide what action to take, whereas a frontline manager who is determining the location of the staff holiday party may wrap up his decision in less than an hour. Certain factors, such as your position within your organization and the industry or sector of your organization, will influence thinking time. Every decision has its optimal trigger point, and it's your job to determine to the best of your ability where that point is for you at any given time.

One of my NYU students, Javier Suarez, likens the relationship of thinking time and outcomes to boiling time and the perfectly poached egg. One minute under-poaches the egg, five minutes over-poaches it; but three to four minutes yield just the right results. He calls this the Economics of Timing, a supplement to the concept of the Economics of Thinking you learned about in Chapter 1. To determine how much time is right for each decision, Suarez created an Economics of Timing diagram (Figure 2.1). It not only addresses your position and your situation (industry, sector, etc.), but it also illustrates the correlation between these factors and the issue of acting too quickly, too slowly, or possibly not at all.

In the Economics of Timing diagram, the vertical line represents benefits (at the top of the line) and costs (at the bottom), which are associated with the Economics of Thinking. This line is intersected by a horizontal line indicating the amount of time one takes to make a decision: too fast is on the left (Fast Shooter), and too slow is on the right (Paralysis Due to Analysis).

The wave indicates a leader's decision-making time; your optimal decision-making time is where the decision-making time wave touches the Timeline.

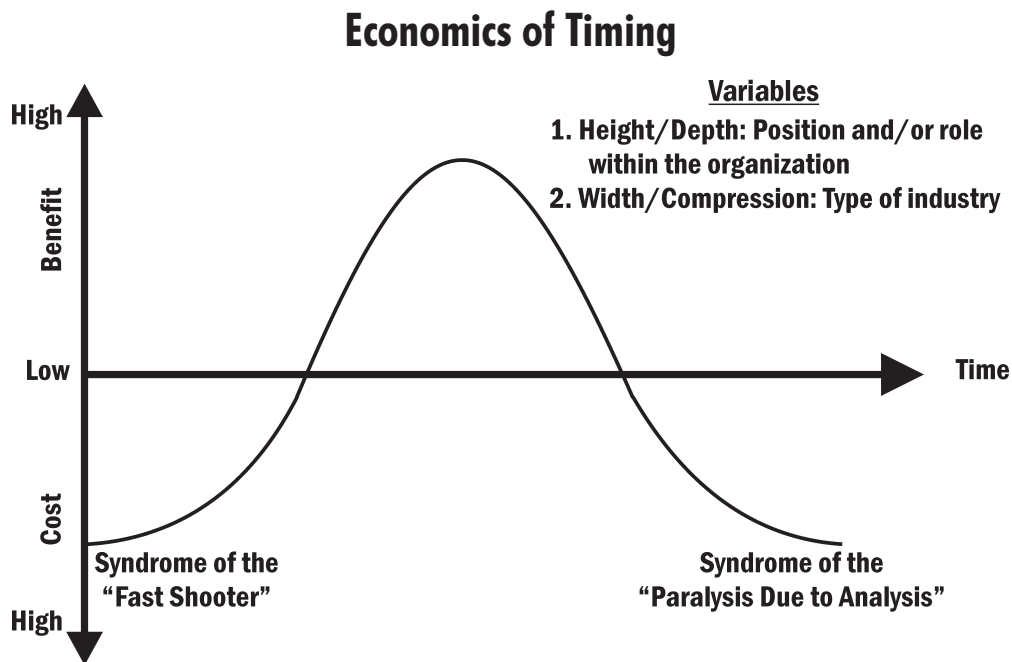


Figure 2.1—Economics of Timing

Rushing to action before doing the homework or laying a solid foundation can result in costly mistakes, as is the case with the Fast Shooter. Fast Shooters want everything done “yesterday.” They’re quick to act and prone to snap decisions and impulses.

At the opposite extreme is the sluggish decision maker who suffers Paralysis Due to Analysis. These decision makers are so slow to make decisions that they are often guilty of making no decision at all. They seem almost paralyzed by their own over-thinking, and as a result, they allow opportunities to slip away and problems to fester to potentially destructive levels. Make sure that you don’t slide too far on the scale one way or another.

In addition, you may want to ask people who know you well to weigh in on where they see you falling on this spectrum. I have worked with students and clients who have, on occasion, assumed they were Fast Shooters, when in fact, they were very slow to act—and vice versa.

Paralysis Due to Analysis

Dan is an acquaintance who has enjoyed a successful career in manufacturing. Prior to the U.S. real estate boom, his wife recommended that they look into purchasing a couple of reasonably priced commercial properties and

leasing them to local businesses. Dan's response was that he would think it over, do some research, crunch the numbers, and let the missus know his conclusion.

The process didn't work out quite as neatly as Dan had initially anticipated. First, he couldn't really find anything that he thought was cheap enough. Then, he was worried about getting in over his head trying to balance his day job of long hours in management with the ins and outs of property management. Eventually, one excuse after another drove Dan to a state of paralysis on the issue, and he never bought any commercial buildings.

Dan's local real estate market had potential. So much so that despite the recession that began in 2008, Dan could be looking at several million dollars in assets had only he taken action at an appropriate time. Contrast Dan and his slow-to-decide approach with the initial scenario of Kyle as the fast-shooting manager who was too quick in his decision making, and realize that operating at one extreme or the other diminishes the ability to achieve desired outcomes; you need a balance between the two.

Variables in the Economics of Timing diagram are the height/depth and width/compression of the wave on the Timeline; these represent your position within your organization and your organization's industry (or sector), respectively. Let's look at the height/depth of the wave first. The higher your position within your organization rests, the more likely your decisions are to carry greater weight, incur greater costs, meet greater risks, and yield greater benefits or consequences. In terms of this diagram, the wave of any high-ranking decision maker, such as a business owner or a C-level executive, will reach higher on the Cost scale and drop deeper on the Benefit scale than will the wave of a midlevel or frontline manager. Picture a COO who can authorize the purchase of a million-dollar piece of equipment in contrast to a frontline manager who is limited to a budget cap of \$5,000 for a single equipment purchase.

The width/compression of the wave is typically determined by your situation, which could refer to your organization's industry or sector, market demands, competition, obsolescence, risks and rewards, regulations and laws, etc. This concept is universally applicable and is effective for people facing decisions in fast-paced and slow-paced industries alike. Simply adjust your wave's length to a shorter bend if your industry is fast paced (such as high tech), and lengthen the wave's bend to accommodate a slow-paced industry (like real estate).

What about you? Do you relate more to the Fast Shooter or the person who suffers Paralysis Due to Analysis? This is not an easy answer, because we

often see ourselves differently than others see us. Understanding your own tendencies can help you identify whether you need to decide more quickly or if you need to slow down and take your time.

Also keep in mind that sometimes what looks like a hasty decision might not really be one. Take the real estate developer who walks onto a piece of land and decides, “This is it.” That snap decision actually could be the result of months, years, or even decades of careful thought about the development site’s requirements. All that preparation enables the developer to quickly assess how well the parcel matches those requirements.

Striking the Right Balance

Jeff Gaspin, the 2009 choice to head NBC’s television network, had achieved a twenty-five-year track record of success in the media industry by knowing when to think and when to act. He oversaw the turnaround of non-news cable networks such as USA and Bravo, where he provided the backing for the show *Queer Eye for the Straight Guy* and other successful reality programs.

John Sykes, former chief of VH1, the network where Gaspin developed the musical biography series *Behind the Music*, described Gaspin’s careful approach to innovation and decision making: “He would have hundreds and hundreds of ideas before he had a show,” Sykes noted. “It wasn’t his whim, or throwing something against the wall.” In an interview with the *Wall Street Journal*, Gaspin alluded to this when he noted that it was “going to take some time” for him to help NBC develop its brand.¹⁶

Gaspin’s early successes came from taking the right time to make the right decisions so that his organization could capture opportunities and turn them into successes.

Rethink Your View that Employees Are the Most Important Part of Your Organization

Over the years, I’ve heard many decision makers say that people are the most important part of their organization. While I agree that good organizations are made up of great people doing great work and that employees play an extremely important role in the success of any organization, the idea that people are the *most* important part of an organization is a wrong assumption that can actually hinder the people it intends to credit. We’ve all seen first-hand how even the most talented people turn in substandard performance if they don’t have the systems and structures they need to excel in their work.

Therefore, if you make this assumption and are willing to rethink it, you can more readily capture opportunities to empower your people to achieve more successes within your organization!

Imagine that you're a rookie race car driver sitting behind the wheel of a minivan. On the racetrack next to you is Mario Andretti, revving the engine of his high-performance race car. You're thinking there's no way for you—a rookie driver, and in a minivan, no less—to win against one of the world's all-time Formula One winning race car drivers. But what if Andretti's car has no tires? Without the complete vehicle—the necessary structure—then all of Andretti's skill and experience goes unrealized.

In order to gain the successes that come from talent and skill, your systems and structures must be in place. The systems and structures include everything from computers, tools, and equipment to the rules, regulations, laws, procedures, and policies that govern how your staff works within your organization. These systems don't always have to be elaborate; they just have to be appropriate. For example, in 2011, Boeing relocated passengers' flight attendant call buttons in their new 737 aircrafts away from reading-light buttons.¹⁷ The seemingly small change is anticipated to reduce the number of unnecessary trips that flight attendants will have to make down the aisles of planes in response to typically apologetic customers who mistakenly press their call buttons rather than their reading-light buttons. Similarly, replace a hairstylist's dull scissors with sharp ones and the stylist can produce better haircuts in less time. Conversely, take away the cameras from a film crew, and you're going to shut down production quickly.

Having the appropriate systems and structures in place is one of the most effective ways of bringing out the best talents and highest productivity of your people. Yet it's one of the most ignored factors in organizations today. When leaders see dipping productivity levels and low morale, they often want to address personnel and personality issues, an attempted solution known as “hugging and kissing” your people. The hugging-and-kissing approach typically yields only temporary relief, if it solves anything at all. Then conditions return to the same or get worse. Instead of fixing the real challenges, these leaders have missed the mark altogether (and they've wasted time, money, and resources in the process).

Think back to the lead-in example at the beginning of this chapter; as was the case with Sheila (the manager of a global workforce who improved productivity when she shifted her focus away from her employee and onto the task of upgrading his computer), when you encounter problems with employee performance or morale issues, a good rule of thumb is to check

your systems and structures first, before you assume that issues stem from your people. If you don't, you might just be spinning your wheels. I encountered one such instance years ago, when a prominent U.S. government agency hired me, along with many other speakers, to give a series of speeches as part of leadership's plan to motivate their employees.

During a pre-event phone call with a woman who would be in my audience, I discovered a major problem. She grumbled in frustration that her computer was down again and complained how all the computers would go down for two to three hours every day. Once the computers, referred to as "ticking time bombs," were up and running, employees could return to work, but they were still expected by supervisors to get all their work done in the shorter amount of time. This complaint was reiterated by employees in one interview after another. Decision makers had good intentions when they invested in motivational programs, but like so many leaders, they hadn't considered how their people were in need of better systems and structures. Perhaps you can look back on situations in your past where a fix to a computer system or other structural issue could have done more to improve morale than a direct attempt to "fix" people. If, after the systems and structures are remedied, leaders still have issues, then leadership would be wise to address morale, but not before.

Another example is one I read about in an article in the *Wall Street Journal*, about the struggles that meteorologists in India experienced when they were trying to forecast weather conditions with outdated equipment. H. R. Hatwar, the head of India's meteorological department, was responsible for delivering accurate forecasts for every sort of weather condition, including droughts, monsoons, and typhoons. The country's 600 million farmers (18% of the nation's GDP) were relying on him. Yet it was not uncommon to see Hatwar using tools from 1950, such as paper charts and graphs, to predict the weather in the twenty-first century. Errors were of national concern, because Hatwar and his staff's inaccuracies had the potential to shave 2% of annual growth from the GDP and impact the fate of the farmers and the billions of people they fed.¹⁸

In this case, however, the powers that be recognized the system error. To improve forecasting, India's government planned to invest \$620 million to establish a thousand automated weather stations and two thousand precipitation stations nationwide, measures that empowered Hatwar and his team to be able to make new and better forecasts.

Systems really can make the difference. In fact, the presence of a supportive system is one reason why decision makers who leave major corporations

don't always succeed when they start their own businesses. Many have been so accustomed to a support system that gave them what they needed to be successful, that they either flounder or must invent new systems and structures to maximize their skills once again.

The Goldsmith Productivity Principle

Italian economist Vilfredo Pareto put forth the notion of the vital few in 1906,¹⁹ when he observed that 20% of the population owned 80% of the wealth. Ninety-two years later, investor and entrepreneur Richard Koch authored *The 80/20 Principle*,²⁰ a book based on an adaptation of Pareto's concept, whereby Koch stated that "80% of output comes from 20% of inputs, not only in the business world, but also in virtually every aspect of life."

I've taken Koch's idea one step further to form the Goldsmith Productivity Principle (GPP), which states that *80% of an organization's ability to compete and perform is driven by its systems and structures, and only 20% is by its people*. Doubt the percentages here? Accepting the exact numbers doesn't matter as much as understanding the concept right now, because in time, you'll probably see that the 80% is actually higher in most instances. Certainly, people are essential, but if yours got locked out of your building tomorrow, even the highest performers would struggle to achieve.

In the visual representation of the GPP, shown in Figure 2.2, the largest boxed area represents this 80% that influences your productivity. Once you have determined that you have given your people the necessary tools they need to achieve success, you can directly address any personnel issues, shown as the larger inset box in the diagram. This 20% should be assessed and assisted only after running a check on their systems.

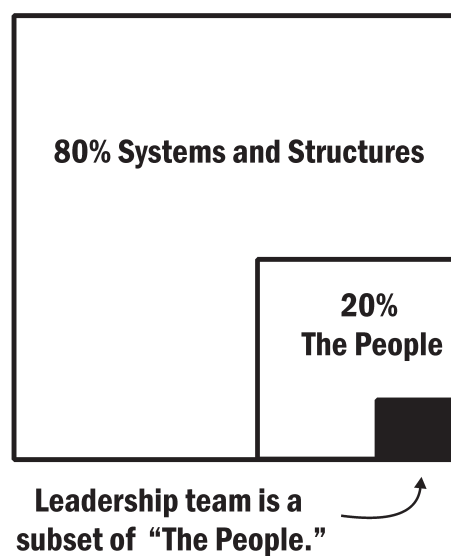
I want you to pause for a moment and consider what you have just read, because while many decision makers quickly "get it" and start seeing the GPP everywhere—at work, at home, during civic and religious services, at social events—others still hold on to the belief that the 80% is too high a figure to assign to systems and structures *or* they think they already have the best systems in place and don't need to improve in this area. Moreover, leaders often blame others for mediocre output, when in reality, the blame lies with the leader's mediocre systems and structures that cap the potential of individuals and organizations.

To become a catalyst for progress and achievement, you may need to rethink some of your current beliefs and be willing to trade your opinions for new ways of thinking. Eventually, even the initial resisters come on board once they learn about ET and its activities; they realize that 80% may even be

a conservative figure, and they also recognize that great opportunities can be mined from improving systems and structures.

All people need the tools to succeed, even you. Imagine losing your computer and access to any data for a month. What would your productivity levels become? Often I hear from leaders that they'd accomplish nothing. That little box is a part of the systems and structures you need to be productive and successful.

Goldsmith Productivity Principle "The GPP"



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Figure 2.2—Goldsmith Productivity Principle

That said, I'm not proposing that more structure versus less structure will automatically produce your desired returns; this isn't a more-versus-less issue. What you need is the *right* structure—that you or you and your management build—to secure the best talent and keep it continually performing optimally.

Here's an important part of the GPP to note. Take a look at the smallest inset box in the diagram. This is a subgroup of decision makers—you and other decision makers—who create the GPP's 80%, the systems and structures. (The diagram's separation of you from other people in your organization does not mean that you are more important than your engineers, designers, or customer service representatives; it just indicates that you play a different role.)

You are building the systems and structures from the 50,000-foot view. The larger the picture you see, the better your systems are likely to be, because you

have a better understanding of how a decision applied to one area of the organization affects another area. However, not all leaders fulfill this responsibility and follow the GPP. In fact, in instances where leadership fails to create the systems and structures, someone who is not in leadership is apt to build the systems and structures simply out of necessity to succeed. But without this staff member having the big picture, his or her well-intentioned systems and structures are unlikely to be as effective as they could be.

As you address challenges that arise throughout your organization, keep the GPP in mind and remember that you are responsible for delivering and managing the tools, processes, reporting structure, infrastructure, technologies, physical space, geographic location, and so on to enable the organization and its people to function successfully. Only after this 80%—the systems and structures—has been fully addressed, can you then plug your people into the GPP, optimize the returns of your staff's collective effort, and redirect your attention to your purpose: thinking and planning for the future.

Rethink the Notion That Micromanagement Is Bad

Micromanagement has gotten a bad rap over the years, because it conjures up images of the big boss breathing down the necks of hard-working subordinates. But in reality, that's only one side of micromanagement and is only the case when it isn't executed properly. It's time to rethink the opinion that all micromanagement is this in-your-face type of suffocation that smothers people and decreases their abilities to perform optimally.

In reality, micromanagement can be one of the most effective ways to increase performance. In addition, there are some environments where micromanagement through systems and structures are necessary to ensure specific outcomes and safety.

In the stereotypical, negative view, the word "micromanagement" makes us think of leaders who are so engrossed in the daily doings of their subordinates that they get in everyone's way and don't get their own work done. By filling their days with tasks that belong in someone else's daily planner, these micromanagers fail to give ample time to their own responsibilities like thinking, strategizing, and moving their organizations forward. In this scenario, micromanaging efforts ultimately hurt the organization on multiple levels, not the least of which may be employees, volunteers, or other group members reacting negatively to feelings of frustration and needless pressure resulting from the constant monitoring. This means that neither the micromanaging boss nor the subordinates are performing as optimally as they could.

By contrast, when leaders have the right mental tools to be effective micro-managers, they are able to direct their organization's people and resources in the direction of shared goals. Effective micromanagement through setting structure, developing strategy and plans, creating reliable systems for others, and teaching people how to be independent thinkers can actually empower others to do their jobs with little involvement from you at all. Yet truthfully, they *are* being micromanaged; they just don't feel it, because you're not in their faces.

Micromanagement isn't always a choice. You may be entrenched in an industry or sector that *requires* a certain degree of micromanagement, so the question isn't whether or not you micromanage; it is how to do it correctly. Leadership in toxic waste or medical waste-management facilities must follow strict procedures to ensure the safety of their staffers, customers, and the general public.

For decision makers, striking the right balance between being involved and letting others work independently can be a challenge. Regardless of your organization's circumstances, following the GPP is how you effectively micromanage your organization's people and resources to achieve desired outcomes. Build an environment of systems, structures, tools, equipment, etc. to support the talents and skills of your people, and you will earn their trust, gain their cooperation, and increase their productivity levels. When micromanagement is done right, you are able to achieve the results your organization needs to grow and survive.

Here's an example of micromanagement done right according to the GPP. Think about when you drive on the highway; do you feel micromanaged? Most likely you feel pretty independent. You select your destination and the vehicle you'll use to get there. You also determine the vehicle's air temperature, whether you'll listen to music, who your passengers are, and what type of car you'll drive. But if you look closer, you are actually very micromanaged. You must drive on predetermined roads, streets, and ramps. You must maintain certain speeds. You must pass only in predesignated passing zones. In some areas, you must pay a toll for using the road. However, you don't resent being micromanaged, and you don't feel that you're constantly running into roadblocks due to the micromanagement, because the road system enables you to reach your targeted destinations, much like systems help your staffers to reach their targeted goals.

Systems and structures also direct your organization toward innovative solutions both internally, as organizational improvements, and externally, as product and service improvements. Consider how a restaurateur might opt

to “micromanage” his establishment’s reservation process by using a proven software system—one that employees manage internally or one that patrons can access externally through the Internet—to achieve reliable outcomes. Micromanaging systemically removes the crises that erupt from inefficiencies and replaces problems with opportunities. Additionally, micromanagement done right prevents waste, so your organization has more resources to dedicate to these improvements.



Untying the Gordian Knot

As the Greek myth goes, in the center of the Middle Asian city of Gordium, King Midas had tied a chariot to a post with an intricate knot. A great oracle predicted that the man who could untie the knot would become Asia’s next king. Hundreds of men tried and failed at the endeavor. A man approached, studied the knot, and with one sword strike, sliced the knot in two thus claiming his title as king.²¹ This man was Alexander the Great.

Alexander’s strength and his army’s might did not grant him the position of leader. His ability to think and rethink about a current challenge was the key to his rise. In essence, that’s what every leader who is paid to think does, too.

As you move through the upcoming chapters of this book, you will revisit some of these concepts and you will learn more. Though some of the new information you receive will likely be common sense, some of it may seem counterintuitive, but a mind that is willing to rethink will enjoy the greatest opportunities for positive change and growth. And now that you’ve had an opportunity to jumpstart the rethinking process, you’re mentally better positioned to learn about Enterprise Thinking in more depth.



CATEGORY 1:

[STRATEGIZING]





YOU FIND YOURSELF STANDING ON a mountainside overlooking the small town of which you're the mayor. In your peripheral vision, you glimpse the hand gestures of your lifelong friend who is standing next to you, drinking in his experience of a beautiful autumn day. You find yourself somewhat envious of his free spiritedness, wishing that you could stop the rush of thoughts flooding into your mind.

"Gorgeous day! Not a cloud in the sky. If only they could all be like this . . ." His comments fade into the background as your eyes dart from one area of town to another, at each visual stop vacuuming more tidbits of information into your brain for further processing.

As the leader of the bubbling community below, you can't seem to arrest this cyclonic swirl of questions and possibilities. When you glimpse the winding streets, you think of the annual salary budget for the road maintenance workers, the new snowplows on order for the public works department, last week's town meeting where townspeople presented a petition to install a traffic light at the increasingly busy intersection, and the potential to merge ambulatory services across the region.

"Yeah, it's a great day," you respond. "Guess it's time to head back into town." Your buddy, who hasn't a clue about your mental wrestling match, nods, hops into his pickup truck, and starts the engine.

The mind of any leader is a busy place, jam-packed with potential. Yet to harness the potential of your ideas and ultimately convert your thoughts to realities, you need the right tools to develop strategies and plans and mobilize the resources available to you to arrive at predictable, reliable results.

In the next four chapters, you are going to learn the ET tools of Strategizing, how to use them at the 50,000-foot level, and how to share them with the people who help you produce results. As you will soon conclude, these chapters are integrated and build upon each other. In addition, all of the tools of the Strategizing category are processes, concepts, methodologies, and principles that you will use in other ET categories, too.

Again, I urge you to approach these chapters with an open mind. Much of their contents will make immediate sense to you, while other areas may initially seem counterintuitive or require a bit of cultivation time. Either way, you are likely to emerge from this section with new perspectives and proven tools to harness your brainpower and create countless new opportunities for yourself, those around you, your organization, and perhaps even your community, your country, or the world at large.

3

DEVELOPING PLANS

TWENTY-THREE YEARS AGO, AN ENTERPRISING man by the name of Hee Bong Park departed his native country of Korea for a trip around the Asia Pacific region in search of a place to set up manufacturing facilities for his growing tent manufacturing firm, HKD International. After stopping in several countries on his fact-finding mission, Park elected to look into the possibility of Bangladesh as one of his site locations.

While he traveled the countryside of this impoverished area, two thoughts repeatedly ran through his head. The first was that if he were to build a manufacturing facility in Bangladesh, the development of infrastructure and personnel would be more challenging than in any other country he had visited thus far. Yet he knew that if he drew up a solid plan and addressed these issues, he could establish his facilities in Bangladesh and reap significant rewards both economically and personally. He knew in his heart that if he were to make this decision, he could help to create jobs, offer new opportunities, and provide improved futures for many of the citizens of Chittagong, the city he was contemplating as the place of operations. Second, Park believed Bangladesh would be a good location for a successful and long-term business, even though most of the people in the industry thought building a manufacturing plant in Bangladesh was impossible at that time. On this visit, he made up his mind that this was to be his future. His next call was to his two sons to tell them the news.

Today, HKD International has grown far beyond Park's imagination. His firm now produces more than 60% of the tents manufactured worldwide and has recently entered into the outdoor furniture business, already with great

success. He's also working on constructing a new 500,000-square-foot facility that will improve working conditions and quality and increase capacity.

As Park recounted his firm's beginnings to me while we took a ride in his car, I vividly remember his body language as he moved forward in his seat so that he could address me face to face. "I did the right thing, right?" My heart went out to this man whose focused plans have enabled him to provide good jobs for 7,000 employees, whose products have touched so many people, and who has transformed tens of thousands (if not hundreds of thousands) of Bangladeshi lives over the decades. Choked up, I could say nothing but, "Yes, yes you did."

A decision has the power to transform entire lives. Sometimes we can forget that fact. I'm betting that you can look back on a single moment in your own life where you made a decision that affects how you live today.

Think about all the decisions that your stakeholders make in a day on behalf of your organization. Frontline workers, vendors, allies, board members, volunteer workers, decision makers, bankers, and other individuals are making decisions every day that, collectively, will impact your organization's future. What if each one of them made just one better decision per day?

Consider the positive outcome arising from a manager's decision to fight her temptation to close up shop five minutes early. She keeps your doors open until closing time and ends up securing a new loyal customer who refers her friends to your boutique.

Picture a machinist who decides to speak up about a tiny rattling noise he notices in a piece of equipment, even though no one else hears it. By catching a minor precursor to an otherwise costly imminent breakdown, this decision keeps your equipment operational throughout your busy season.

Imagine the president of a robotics company who decides to expand on a technology that he has used for multiple consumer products—including a robotic home vacuum cleaner—and apply it to military situations. As a result, military decision makers eventually purchase radio-controlled surveillance devices using this technology for the purpose of entering dangerous areas ahead of foot soldiers, ultimately replacing human risk with robotics.

If ten people in your organization each make one smarter decision each day, that's 2,500 better decisions over the course of a 250-day work year. If your organization consists of 50, 200, 5,000, or 30,000 people, the numbers of better decisions per year rise to 12,500, 50,000, 1,250,000, and 7,500,000 respectively. Think of how much better your organization could be a year from now!

The types of decisions that best solve challenges and usher in new opportunities are decisions that are in sync with strategy and desired outcomes. Just

as you wouldn't want to determine the location of your home by throwing a dart at a world map, you don't want random decision making within your organization. Therefore, it is essential that you develop great strategic and tactical plans that *both clarify desired outcomes and guide others to achieve them*.

There are three components to Developing Plans, which is why this chapter is divided into three corresponding parts:

- 1. Part I: Creating Strategy.** Strategy determines the direction of your entire organization. The plans you develop to support strategy determine whether your organization reaches its targeted outcomes. That's why you will learn a proven process tool that will empower you to create winning plans and to lead others to success. You will also take away several other new tools and instructions on how to use them so that you can keep your entire organization on track, no matter how many responsibilities and challenges arise along the way.
- 2. Part II: Transforming with Projects.** Once you know your strategy, you will search for the tactics that allow your organization to play out that strategy. A project, unlike a task, advances your organization by keeping it current, competitive, and strong. In essence, projects are the building blocks of organizations. In this chapter you will learn immediately applicable tools that will (1) ensure that you select, organize, and implement the best and right projects for your organization at any given time, and (2) allow you to guide others to the successful completion of projects.
- 3. Part III: Managing Your Priorities.** Setting direction, implementing projects, and guiding others can become overwhelming even for the most experienced leaders, which is why you need tools to keep yourself focused and on track on a daily basis. Surely you've heard of time management, but this section offers a better alternative in the form of priority management tools. Research indicates that very few leaders use a daily planning tool or are even aware that they need one. FYI: You *definitely need* one. Better than a time-management planner, the priority-management system that you will learn here will help you to diminish "fires" and interruptions, accelerate desired outcomes, enable you to sleep better, and reward you with a higher quality of life.

All three chapter parts are important components of Developing Plans. In addition to learning how to create winning strategies, select and implement high-impact projects, and focus yourself each day on your priorities, the tools you will pick up in this chapter can be used to enhance your performance in all other ET categories' activities. Therefore, absorb what you can from this, the longest chapter, and trust that it will all come together as you progress through this book.



[PART I]

CREATING STRATEGY

BILL AND DON are brothers who like to do everything together. Last year, the two decided to take their wives on a joint six-night Mediterranean cruise, beginning in Italy and snaking its way through the waters near France, the UK, and Spain. Since Bill's time is usually limited due to the demands of his job, Don typically plans these annual vacation trips for the group on his own. He scanned the Web for several nights and eventually settled on four reasonably priced airline tickets to fly the couples from Boston to Rome, the departure point for their cruise. Don also secured the cruise tickets and ground transportation from the airport to Civitavecchia, the ship's port of call.

When the day of the big trip arrived, the excited foursome boarded the plane, chattering on about all the great spots they would see and the amazing food they would eat. Then they settled in for their long flight, caught some zzz's en route, and a half a day later found themselves in the customs line at Leonardo da Vinci–Fiumicino Airport. As they waited, Bill's wife, Eileen, opened the paper folder containing her tickets and glanced quickly from her watch to the cruise ticket's departure time and date. "Oh no, Bill, look at this," she said frantically while displaying her ticket for Bill to see. Eileen could hear her heart pounding in her ears, and when she saw the look of shock come over Bill's face, she knew this trip was over.

"Don, you're not going to believe this," Bill reluctantly said to his brother. "The cruise took off hours ago."

Don pulled the nonrefundable cruise ticket from Bill's hand and gave it a once-over. Suddenly his memory flashed back to one of those late nights when he sat at his computer deciding among several different travel options,

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