

MANAGING IN THE NOW

Business at the Speed of Need

*Social Media,
Cloud Computing,
the Millennial Mindset,
& Beyond*

JOHN BERNARD

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AGENT

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John Bernard will deliver the keynote address at the Conference Board's 2011 ***Developing 21st Century Leaders for Complexity, Speed and Innovation*** meetings in New York (May) and San Diego (June). The Conference Board chose John for the same reason readers will choose to buy **MANAGING IN THE NOW**. They want to hear about the next **BIG IDEA** in business. They want to know how their people can seize opportunities at the speed of need.

“John Bernard has a magical ability to inspire, motivate and lead organizations. He is the rare mentor we all seek whether one-on-one or in front of a room of a thousand people. He shows you how to see the gold nuggets in the muddy water of your business and gain astonishing productivity from the most average employee.”

Mark Cleveland, Serial Entrepreneur

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The Future is NOW

Brandy, two years out of engineering school and a new recruit at software developer Expedite, has just arrived at her Silicon Valley cube for a one-week stint on graveyard shift as a technical support specialist. She's volunteered for this assignment because she's eager to see what happens on the frontlines with customers she would otherwise never meet.

She grabs her Red Bull and logs in. Her company just retooled to a game-changing management system built for speed.

Barely settling in, Brandy's Skype rings. On her screen she sees the face of an obviously irate customer, the CIO of TexTech, the huge account in Ireland that Expedite celebrated winning just last week.

"Six of our production facilities are down," bellows the CIO, "because your damned software crashed! We need this fixed, and we need it fixed right NOW!" Brandy's heart races. She knows that her actions during the next few minutes will determine whether the CIO decides to stick with the new software or dump it.

"I'll get back to you in ten minutes," Brandy promises.

Immediately she sends an internal distress tweet to the software team in Vietnam. In less than a minute she's on Skype as the engineers in Saigon simultaneously access documents, facts, and dialogue regarding the issue. Their real-time conversation includes "tag" searching of blogs, video references, and critical documents. The inference engine suggests the "best-fit" materials to review. They quickly spot the problem, a known bug that software maintenance in Paris fixed and validated the day before; they can release it immediately.

Brandy emails the CIO a hot link to the patch then Skypes him back.

"I certainly didn't think you guys could solve the problem this fast," the CIO says, smiling and looking relieved. "You guys are amazing!"

As Brandy finishes the call with the customer, she notices her Red Bull is still cold. Her smart phone chimes with a text from her boss.

"Checking in, Kiddo. Everything OK over there?"

"No prob," she texts back.



In a traditionally managed organization, Brandy would have needed to turn the customer problem over to management, and that would have delayed the solution by hours, if not days.

Thank God Brandy's company manages in the NOW!

EXECUTIVE SUMMARY

“Every century or so, fundamental changes in the nature of consumption create new demand patterns that existing enterprises can’t meet. When a majority of people wants things that remain priced at a premium under the old institutional regime—a condition I call the “premium puzzle”—the ground becomes extremely fertile for wholly new classes of competitors that can fulfill the new demands at an affordable price. A premium puzzle existed in the auto industry before Henry Ford and the Model T and in the music industry before Steve Jobs and the iPod.

The consumption shift in Ford’s time was from the elite to the masses; today, we are moving from an era of mass consumption to one focused on the individual.”

—Former Harvard Business School professor Shoshana Zuboff, writing for The McKinsey Quarterly.

The convergence of social media, cloud computing, and the Millennial mindset is supercharging a revolution from Mass Production to Mass Customization that will redefine how businesses compete during the next decade. These forces have made possible something business leaders have sought since the dawn of capitalism: instantaneous fulfillment of needs. Today you really can operate in a time called NOW. While other drivers will surely appear, they will only enable or reinforce the ability to act with the sort of speed that helped Brandy retain a valuable customer by swiftly satisfying his need.

Every opportunity that you do not seize NOW and every problem that you do not solve NOW will stall your productivity and profitability. Lose one today, and you have probably lost it forever. Social media affords us instant access to the information we want and need. Cloud computing addresses the need to slash the cost of accessing and transforming proprietary data, thereby opening a window into organizational performance never before affordable. The Millennials entering the workforce are turning the workplace upside down with a mindset of impatience and disregard for traditional formalities. These three dynamics finally make it possible to get a company moving at the speed of need; they make it possible for every employee to function as a NOW *worker*.

While smart leaders may recognize these drivers, they still grapple with a challenging and at times bewildering business environment. And many fear even greater chaos tomorrow.

Who wouldn’t love to gain the capability to compete in the NOW? What business would not benefit from the competitive power of the NOW mantra: *every opportunity, every employee, every time*.

MANAGING IN THE NOW shows leaders how to use the converging drivers and those that lie ahead to create an organization that works at the speed of need, the type of organization that provides unparalleled customer experience, minimizes costs and boasts an enviable bottom line.

Most leaders feel overwhelmed by the constant flood of information about technological innovations and the upheavals a new generation of worker brings to the workplace. They desperately need a map that will guide their journey from yesterday to NOW and beyond. This book provides that map, and

more. It goes beyond analysis of the current business revolution to give leaders the practical tools they need to ensure that every worker becomes a *NOW worker* who seizes every opportunity every second of every day.



WHAT PEOPLE ARE SAYING

*“To discover that **“the”** book you were hoping someone would write is being written by an individual you know and trust to be pragmatic and on target is almost too good to be true. The explosion in the world today is quite compelling and simultaneously daunting to comprehend and integrate. What John is writing is analogous to having a GPS that can be understood readily and brings in all the points of interest that one needs to move quickly and yet miss nothing that’s important. My team and I meet often to bring into focus all of these driving forces, and knowing John will be a guide gives me confidence we will have the right view and can take the critical steps forward to harness all that is possible.”*

Teresa Roche

Chief Learning Officer
Agilent

“John McKay, the great coach of the USC Trojans, once responded to a question about his team’s execution: ‘I’m all in favor of it.’ He should have spent some time with John Bernard and learned how to manage the NOW. John (Bernard, that is) has fixing things in his blood. He may have been only five years old when Coach McKay uttered those words, but I have no doubt that John Bernard could have turned that whole season around. John is a teacher, but first he is a student. He has an uncanny knack for figuring stuff out, flipping it upside down, and making it work better, faster, and most importantly, producing results. I know. I hired him as a consultant many years ago at Nike.

“This book is a must read for anyone who has a management job to do. Just do it.”

Bob Harold

Chief Financial Officer (retired)
Nike

“To me there is nothing more critical than engaging our 120 talented dentists in creating an extraordinary, patient-focused practice. By implementing the Mass Ingenuity management system, we have achieved across-the-board results beyond anything we had imagined.”

Dr. John Snyder

CEO & Dental Director
Permanente Dental Associates
Kaiser Permanente

“The customer satisfaction challenges we faced were costing us a lot and we couldn’t figure out how to resolve them on our own. Mass Ingenuity brought us a clear, logical, and effective approach, so that we could quickly make improvements and sustain them. Our investment in Mass Ingenuity has proven to be an outstanding decision.”

Ellen Steele

VP, Customer Service
The Standard

“Early in the process of implementing the management system, you could see the silos of the organization melting away. A clear focus on our purpose developed and we were able to move forward in ways not possible before.”

Scott L. Harra

Director, Department of Administrative Services
State of Oregon

“I have spent a lot of time speaking with businesses and government agencies, exploring what is working, what is failing, and seeking to understand where confusion and hype are preventing these organizations from achieving full value from their efforts. The Social Ecosystem is the result of these efforts and is meant to reduce confusion and offer guidance for organizations across the world.

MANAGING IN THE NOW is all about a system of management that helps leaders understand and enable social organizations to meet the challenges of a truly real-time world economy.”

John Moore

Founder and CEO
The Lab

“Mass Ingenuity is a company that is easy to brag about! Wow, what a positive change it made in our company and the people who worked there! After owning a business for more than 25 years, with Mass Ingenuity we were super-charged and invigorated with the excitement of a new business! Our relationship with Mass Ingenuity not only catapulted our company into the future with innovative new thinking and great results, it brought many employees great personal growth. A wonderful byproduct of the system was a tool that visually proved to our prospective and current clients that we were the right supplier for them. The results were priceless! ”

Marti Lundy

CEO & Co-Founder (retired)
Moore Electronics

“To stem the tide of lost market share, we needed an external perspective to help us look closely at our whole process for scheduling appointments. Mass Ingenuity brought us the skills and perspective we needed to hit our goal. We moved our time-to-first appointment from 6.7 weeks to 2.8 weeks, and we have sustained the improvement. This opened the door for program growth, one that had been closed for 10 years because of this chronic problem.”

Ray Chesley

Director, Dental Operations
Kaiser Permanente

“I have known John Bernard for over 15 years having worked with him on continuous improvement strategies at Columbia Forest Products. MANAGING IN THE NOW is John’s crescendo regarding survival in the coming economy. I thoroughly endorse this new work; John is a master of hurdling the theoretical and making things practical and deployable.”

Brad Thompson

President & CEO
Columbia Forest Products

“I have been associated with John Bernard for many years and can say that few, if any, of the managers and consultants I have worked with have his knowledge about the opportunities for peak performance that can derive from the thoughtfully created intersection of people, technology, and process. His book demonstrates how to evolve your thinking to take advantage of the unprecedented changes in the power of NOW. But most importantly, these insights are delivered while making sure that the reader understands in the end – it’s about people and how they can deliver on the promise of new technologies.”

Richard Walje

President & CEO
Rocky Mountain Power

“John is a prolific presenter. He speaks with clarity and passion about change and transformation. He articulates the frustration many have been feeling about work and work environment but are unable to put into words. John’s enthusiasm for change and passion for success is infectious. His message is inspiring and energizing.”

Fariborz Pakseresht

Deputy Director
Oregon Youth Authority

“Mass Ingenuity’s management system has had a dramatic positive impact on my organization. The implementation of the roll-out was very well organized, engaging our leadership team to embrace and leverage the planning tools well beyond my initial expectations. Though still early in the deployment of the system, we are more focused, better informed, and fact based in our decisions. I am pleased with our progress to date and have great ambitions for widespread deployment throughout our global operations.”

Harve Bellos

President & CEO
Paccess Global

“This is a book every CEO who’s paying attention to the forces that most threaten his or her business must read. Every CEO wants his organization to be managed in the NOW. I have known John for many years, and the respect he has among high-technology executives is well deserved because of his pragmatic, common-sense perspective and counsel on how to build great companies.”

John Harker

Chairman & CEO (retired)
InFocus

“The book that we have been looking forward to – simple and to the point. It takes complex management theories and practices and presents them as common sense, so you can make them common practice in your organization.”

Ted Barber

Director, Operations
The Coca-Cola Company
(Ted is currently starting up Coca Cola’s new world-class plant in Dublin, Ireland)

“MANAGING IN THE NOW is grounded using sound feedback and measurement principles. John offers a road map on how to deploy these time-tested axioms in today’s fast-paced and rapidly changing world. He provides managers with ideas and techniques that resonate with today’s techno-savvy work force. This is not a one-size-fits-all book, but a flexible approach lined to your strategy. This is your strategy-implementation manual. “

Lawrence P. Carr, PhD

Professor
Babson College

“Running a large, complex company and aligning every employee to what you were trying to get done is hard but essential work. John’s book hits right at the heart of the challenge every CEO faces, getting everyone focused and executing effectively on what matters most.”

Rick Wills
Chairman & CEO (retired)
Tektronix

“The speed of business today is incredible and those unable to stay ahead of information overload and analysis paralysis are dead. John is shedding light on a new system of management that allows all employees to act “in the moment” with clarity and common purpose. This is a powerful concept that will redefine our understanding of management and success.”

Ralph Quinsey
President & CEO
TriQuint

“When I joined Erickson as CEO, I knew that we needed to implement the basic elements of a good management system, more commonly found at larger successful companies, in order to achieve our ambitious growth targets. I found that leadership and motivational self-help books were plentiful, but presented very little information that addressed the specific elements needed to transition a small, tribal knowledge-based company to a world-class process-based company. Then I met John Bernard. His system of management makes sense of every dimension we must manage and manage well. He has managed to simplify what is otherwise complex and sometimes overwhelming into bite-size elements that the entire organization can digest. The team of talented executives we have assembled completely agrees, and we have begun our implementation with enthusiasm and confidence.”

Udo Rieder
President & CEO
Erickson Air-Crane

“This book is EUREKA, giving you the tools to coach, lead, and liberate the energy and creative potential of humanity. This gold mine of secrets for problem solving, building a constructive culture, and making greater connection with people inside the business is waiting for you to discover in every turn of the page of MANAGING IN THE NOW.”

Mark Cleveland
Serial Entrepreneur
Current Ventures:
HobbyLobby® and Swiftwick®

"John has reached into his deep well of transformational experience to build a management system that helps any organization simultaneously address the fundamentals of running its business while working breakthrough concepts to take it to the next level. At the same time, it aligns the organization from top to bottom, so that you can realize the full potential of Lean and Six Sigma through an engaged workforce. He peppers his talks with rich stories that any of us can relate to, bringing his system alive in ways that only a bruised and scarred practitioner can."

David Almond

Director, Office of Transformation

Department of Administrative Services

State of Oregon

THE BOOK

The telegraph replaced the pony express rider, the telephone replaced the telegraph, and the wireless smart phone rendered the phone booth obsolete. Slow gave way to speedy, speedy fell victim to speedier, and speedier died in the wake of speediest. In today's *carpe diem* business environment only the speediest will survive.

In a world thriving on speed, every opportunity matters. That's why *MANAGING IN THE NOW* chants the mantra "Every Opportunity, Every Employee, Every Time".

Companies in which employees seize opportunities and solve problems in the NOW will enjoy a distinct competitive advantage in a world where speed matters most to managers, employees, customers, and shareholders.

Customers don't care why you can't meet their needs; they want what they want NOW. No one knows this better than workers on the front lines, who hate the red tape and bureaucracy that prevents them from satisfying customers at maximum speed. Managers who stand in the way will not last long, nor will their bosses all the way up the line to the executive suite. Companies that do not adopt the systems that make it possible for them to operate at the speed of need will perish as more nimble competitors leave them in the dust.

Social media, cloud computing, the millennial mindset and whatever next Big Thing comes down the pike all make massively scaled instant collaboration and instant access to complete knowledge a reality. But a BIG obstacle stands in the way of an organization intent on *MANAGING IN THE NOW* and operating at the speed of need. The vast majority of businesses cling to a management model and philosophy that its inventors designed to *prevent* action in the NOW. As a result, according to the Gallup Organization, sixty-nine percent of employees have disengaged because they understand that management, red tape and bureaucracy (in essence, a lack of full transparency) make it impossible for them to do their jobs as well as they wish they could. That sad statistic argues for nothing short of a management revolution that dissolves the red tape, dismantles the bureaucracy and embraces total transparency.

To enable their people to function as NOW workers seizing opportunities at the speed of need, organizations must focus on:

- **Context** (Where are we going? Have we clarified our vision? Have we established the right goals and designed the right strategies to fulfill our vision?)
- **Accountability** (What role does each and every person need to play in order for us to seize each and every opportunity that comes our way? Have we developed tools for measuring performance with respect to speed?)
- **Skills** (What knowledge and skills do we need to make quick and effective decisions and to solve problems the instant they arise?)
- **Instant Access** (What information do people need to leverage the opportunity? How do they get their hands on that information?)

→ **Fear-Free Authority** (Have we created an environment where people feel they can safely take initiative and act on their own to achieve our goals?)

So how do you create a NOW organization where everyone boldly pursues every opportunity every time? First, you adopt an integrated and transparent management philosophy, method, and toolset enabled by cloud computing and internal social networks. You apply all this to the three types of work that every business must master in order to succeed: the Fundamentals (the routine work that consumes ninety-five plus percent of all resources), the Breakthroughs (the initiatives that can change the game) and the Problems (the daily challenges and crises that occur in all organizations). The NOW organization builds accountability into every position, thereby eliminating the loose ends that so often cause business execution to stumble.

To make it all work, you must eliminate the fear that characterizes the old authoritarian command-and-control style of management. Fear kills initiative and without initiative problem solving and innovation languishes. Without innovation, a company joins the dodo bird on the list of extinct species. To take initiative and solve problems quickly, people must feel safe to act on their fundamental human desire to improve conditions. Humans thrive on improvement; companies that emphasize continuous improvement prosper.

Of course, you cannot possibly create a NOW workforce if your people cannot take initiative and make quick decisions and effect improvements. Their ability to do so depends on total transparency. If the organization keeps secrets, it blocks free access to sorely needed information. That's why true transparency makes all the difference in the world when it comes to managing in the NOW. The millennial mindset demands transparency; and the new technologies help install transparency as "the way we do things around here." Most leaders pay lip service to transparency but few can define it or make it happen in their company. To do so, managers must transform their role from Decision Maker (more often Decision Blocker) to Teacher and Coach. Since NOW happens on the frontline, management must do everything it can to ensure that the people who see the opportunities enjoy access to EVERYTHING they need to act swiftly and effectively to seize those opportunities.

While the race in the decade ahead will belong to the speediest, by 2020 your very survival will depend on your ability to operate at the speed of need. Today's best-in-class product will grow obsolete; today's brilliant strategy will become old hat; today's cutting-edge technological tools will fall by the wayside as new ones come onto the scene. How quickly can you replace that product, that strategy, that technology? The company that runs at the speed of need knows the answer to that question: NOW. People love working in a NOW organization. They love working with leaders whom they trust to grant them the freedom to do their jobs without fear of punishment and retribution. At long last, the work everyone does makes sense. People can count on each other. Managers help, rather than hinder. Leaders lead rather than command and control. Neither hides anything from their people. The organization performs magnificently and consistently hits or surpasses its targets, thus creating customer value that adds shareholder value. In a NOW organization passion rules because people love

working in a place where everyone can fully display their talents and really make a difference in the world.

MANAGING IN THE NOW brings the subject to life with a wealth of real-world examples and stories, and it provides numerous assessments, tools, guidelines and checklists that enable readers to apply the concepts immediately.

ASSESSMENTS	DESCRIPTION
NOW Quotient	10 questions for assessing an organization's readiness for the NOW.
NOW Speedometer	Assesses an organization's NOW responsiveness in such dimensions as decision making, problem solving, access to data, trust, etc. Scores accumulate chapter-by-chapter.
Process Waste Calculator	10 questions for estimating an organization's non-value added operating costs.
Management Waste Calculator	7 questions (based on the 7 Deadly Management Sins) for determining how much time people waste on non-productive activities (feeds the NOW Speedometer).
TOOLS	DESCRIPTION
Management System Map	A snapshot view of the organization's processes, which establishes the foundation for connecting every individual to the key business goals.
Strategy Mapper	A single-page three-year strategic plan.
NOW Decision Maker	A simple five question tool that enables NOW decisions.
7-Step Problem Solving	A powertool for solving small and large problems by eliminating root causes.
Breakthrough Plan	A one-page powertool for planning large and small breakthroughs.
Workplans	A simple tool for managing the work required to deliver on a Breakthrough Plan.
Breakthrough Plan Review	A one-page tool for assessing Breakthrough Plan progress and for defining corrective action on a failing plan.
GUIDELINES	DESCRIPTION
7 Rules for Great Target Reviews	A guide for conducting accurate and inspiring business reviews.
Shared Vision Creator	A step-by-step process for creating a shared organizational vision.
10 Rules for Social Media in the NOW	A how-to set of rules for successfully aligning Social Media strategy with NOW execution.
The Millennial's Secret Playbook	12 guidelines for working successfully with the Millennial mindset.
Outcome & Process Measure worksheets	Step-by-step analysis that creates powerful worksheets.

THE BOOK BUYER

THE BUYER

Entrepreneurs and business people, ranging from the lone-wolf operator to the Fortune 100 executive, who want to create an unbeatable and sustainable competitive advantage during this era of blindingly fast and mind-blowingly complex change.

POSITION

C-Suite (CEO, COO, CFO & CIO), Business Owners, General Managers, Managers and Supervisors, Frontline Workers, College Professors, Business Students and Thinkers, Management Wannabes, and Management and Leadership Consultants.

CHARACTERISTICS

- Intelligent, curious and integrative thinker
- Always pressed for time; chooses carefully where to spend it
- Thrives on understanding the latest business thinking
- Watches trends and emerging issues
- Moves cautiously until convinced or compelled, yet relishes taking action
- Works through influence not command and control
- Intuitive
- Highly competitive

WORRIES

Mass Ingenuity developed the following list during interviews with a dozen CEOs in early 2010:

- I can't afford to get blindsided? Am I seeing the BIG trends that are going to impact my business?
- My customers are not having a great experience.
- I fear that my competitors will move first on big trends.
- My organization takes too long to adapt. Are we moving fast enough? Are we keeping up?
- I am not sure our more experienced people understand the younger folks coming to work for us. The recruits are smart but quite demanding. Can we get the most from their talent?
- This social media stuff makes me very nervous, because it looks so easy to make big mistakes that we could not easily correct.
- The Great Recession hit us hard. How can we avoid that in the future?
- I worry a lot about my middle managers. Do we expect too much from them?

"I would buy and read a book by that title the week it came out. I read EVERY major business book because I know I have to keep learning --I can't afford to miss anything."

Ralph Quinsey, CEO
TriQuint Semiconductor

- We've tried a lot of the latest fads, such as balanced scorecards, but they never really made us more competitive. I'm tired of theory unsupported by practical tools that really work.
- My IT costs continue to mushroom? How do I bring them under control?
- We can't afford to make any big mistakes with our major customers. They can bolt so easily.
- A tremendous amount of knowledge walks out of these doors every night. How do I make sure they come back in the morning?
- We suffer a lot of waste in the organization. How can we reduce that and invest more time and money in new products and services?
- We've tried the lean approach, but I worry that we may have cut some meat as well as fat.
- What cost-effective ideas and tools can we use to make ourselves more competitive now?
- Rather than focusing on our mission, we always seem to be putting out fires, consuming precious resources that we had planned for more productive work.

COMPETITIVE BOOKS

WHY PEOPLE WILL READ THIS BOOK

John Bernard will deliver the keynote address to the Conference Board's 2011 Leadership Development conference in New York and San Diego. Those meetings will concentrate on *Developing 21st Century Leaders for Complexity, Speed and Innovation*. The Conference Board chose John for the same reason readers will choose to buy *MANAGING IN THE NOW*. They want to hear about the next BIG IDEA in business. They want to know how their people can seize opportunities at the speed of need. And John offers the best solution to that most pressing problem.

THE NEW DECADE NEEDS A BIG IDEA BOOK

During each of the past three decades, one business book got right to the heart of the biggest concerns business leaders were facing at the time. These books struck a chord with millions of readers because they addressed the most pressing issues of the day, inspired bold new management thinking, and enabled creation of more highly competitive enterprises. You will find them on the shelves of every smart and curious business leader:

1980s ***IN SEARCH OF EXCELLENCE*** by Tom Peters & Bob Waterman

1990s ***REENGINEERING THE CORPORATION*** by Michael Hammer & James Champy

2000s ***GOOD TO GREAT*** by Jim Collins

These game-changing books shared a number of critical success factors. Each:

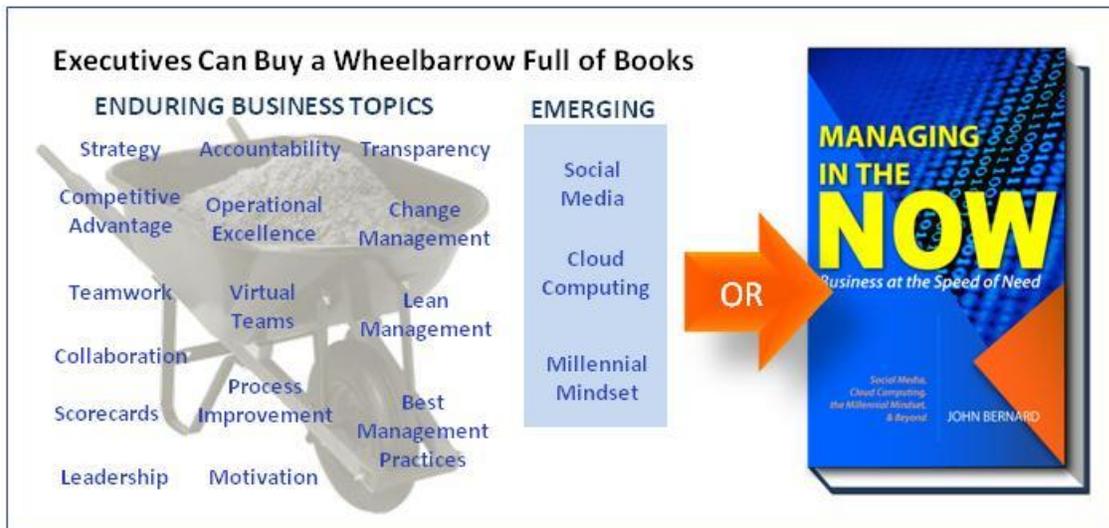
- Focused on strategic business-performance improvement.
- Introduced new, common sense thinking regarding the basic role of management.
- Connected theory to the practical need and reality of creating competitive advantage.
- Articulated a vision that captured the hearts and minds of people at every level of the organization.

These books succeeded in coalescing the emerging collective wisdom of their times, and in so doing connected readers worldwide. In the same way *MANAGING IN THE NOW* delivers strategic advice, common-sense thinking, practical tools and a sweeping vision of what most concerns business people NOW.

2010s ***MANAGING IN THE NOW*** by John Bernard

APPEALING ON TWO FRONTS

Business book readers will *add MANAGING IN THE NOW* to their collection of high-concept, big-issue books. They will also buy it as an alternative to purchasing a wheelbarrow full of books that touch on one enduring topic or another, none of which coalesce the emerging game-changers.



Along with the classic “Big Idea books of the decade”, the audience for of *MANAGING IN THE NOW* probably owns these great books:

- THRIVING ON CHAOS*** by Tom Peters
- THE FIFTH DISCIPLINE*** by Peter Senge
- BUILT TO LAST*** by Jim Collins & Jerry Porras
- EXECUTION*** by Larry Bossidy & Ram Charan
- FREAKANOMICS*** by Steven D. Levitt & Stephen J. Dubner
- THE BIG SHORT*** by Michael Lewis
- THE ROAD TO SERFDOM*** by F.A. Hayek
- DELIVERING HAPPINESS*** by Tony Hsieh
- OUTLIERS*** by Malcolm Gladwell
- THE WHY OF WORK*** by Dave Ulrich & Wendy Ulrich
- SWITCH*** by Chip Heath & Dan Heath (change management)
- DRIVE*** by Daniel Pink

These books address important topics, but none of them broadly address the contemporary game-changing drivers that keep a business leader up late at night worrying about the future of her company. Once she puts *MANAGING IN THE NOW* on her bedside table, she’ll start getting a better night’s sleep.

THE AUTHOR

For the past thirty years, John Bernard has been inspiring leaders to rethink how they run their organizations. A bold, progressive thinker, he ardently challenges conventional management philosophy.

Nike, Baxter Healthcare, Kaiser Permanente, Tektronix, PacifiCorp, and Standard Insurance and more than one hundred other companies have benefited from John's ability to inspire leaders to redefine the role of management. John has not only guided other leaders, he has also established an impressive track record as an executive, having occupied nearly every seat around the leadership table, from founder/CEO of a start-up firm to senior vice president of a multi-billion-dollar financial-services company with responsibilities for a workforce of 1,000. His consulting work has spanned the globe in high-tech, service, distribution, utilities, banking, insurance, manufacturing, health care, education, and government.



MANAGING IN THE NOW results from John's thirty-year quest to develop a management system that enables talented people to achieve spectacular results for their organization

As a speaker, teacher, writer, coach, and mentor, John's first-hand experiences and his ability to communicate through stories give him strong credibility in the business world. As one senior executive said after hearing John talk in early 2010, "That was the most clear and common-sense approach to management I have heard in my thirty years as a leader."

John's early career as a journalist affords him the skills to translate complex management theory into practical, real-world language that helps his clients make tangible changes in the way they do business. Nationally recognized as a thought leader on the subjects of management and the modern workforce, during the 2008 financial crisis John has appeared as an expert on national television and has been extensively quoted in half a dozen national media outlets including FOX Business and the Lou Dobbs Radio show.

By age 25, John was writing award-winning annual reports for Fortune 1000 **Omark Industries** and handling Wall Street relationships for the company. In 1980 he accepted an appointment by the company's chief operating officer to join a special task force charged with studying emerging Japanese business practices. In 1983, *Inc. Magazine* featured Omark (along with Hewlett-Packard) on the cover as the leading implementer of Just-in-Time manufacturing (now popularized as "Lean") in North America. John played a major role in the effort that helped Omark become one of the first U.S. companies to take the lead in the quality revolution. Lean, Six Sigma, process improvement, and many related tools and

models spring from these pioneering efforts. John has gone on to apply these leading-edge ideas to the most critical yet most rarely addressed process of all—management—ironically the one process that receives the least amount of attention.

John went on to join executive teams in two high-tech companies, **Electro Scientific Industries** and **Floating Point Systems** where his roles ranged from strategic planning, marketing, and quality to transforming a manufacturing plant that produced mid-range-class supercomputers. In every assignment, John's teams delivered unprecedented results. The supercomputing plant he ran was eventually merged with Sun Microsystems. The team and concepts he left behind helped make the organization Sun's top-performing manufacturing facility in the world.

For the past twenty years, John has been fine-tuning a system of management that delivers unusually high levels of employee engagement. He's tested and adjusted the system as an executive and as a consultant in the real world to the point that the system consistently delivers highly predictable and remarkable results.

In 2008, John founded Mass Ingenuity. The company consults around the world and develops and delivers web-based tools to support MANAGING IN THE NOW. Today, he serves as the organization's chairman and CEO. Learn more at www.massingenuity.com

John resides in Portland, Oregon with his wife, Lannah, and their four-year-old twin daughter and son. He also has three grown and accomplished daughters.



A Sampling of John's Clients

Agilent	Paccess Global	Laughlin Wilt
Boston Scientific	Nike	Lanphere Enterprises
OrCAD	Tripwire	Timberline Software
Planar Systems	Oregon Department of Administrative Services	MEC Northwest
ETEC	Oregon Youth Authority	Baxter Healthcare
Althien Medical	Integrated Measurement Systems	CJPS Enterprises
Portland Public Schools	Electronic Controls Design	Baker Boyer Bank
Micropump	Tektronix	Blue Sky Research
Dale Carnegie Associates	Acumed	University of Portland School of Nursing
City of Milwaukie	Arthur Andersen	PacifiCorp
North Clackamas School District	Burns Brothers	Columbia Forest Products
Oregon University System	Environments	Precision Countertop
Standard Insurance	Greenbrier	Cadence
TechAmerica	David Evans & Associates	Texas Instruments
Kaiser Permanente	LaSalle Preparatory	Steve Martin Properties
Permanente Dental Associates	Laerdal Medical	Erickson Air-Crane
The Partners Group	Hartmann & Forbes	

THE COLLABORATOR

Literary Agent, book developer and writer Michael Snell has authored, co-authored, and collaborated on 45 books, including *the New York Times* best sellers **Creating Excellence** with Craig Hickman (New American Library), **The Oz Principle** with Roger Connors and Tom Smith Prentice-Hall/Portfolio, **How Did That Happen** with Roger Connors and Tom Smith Prentice-Hall/Portfolio, and **Leadership IQ (Wiley)** with Emmett Murphy. Other recent collaborations include **Talent IQ** with Emmet Murphy (Adams Media), **Your Inner CEO** with Allan Cox Career Press), and **Iron Butterflies** with Birute Regine (Prometheus).



Specializing in business books, he has agented over 700 titles since founding his agency in 1978. Successful titles include **Journey To The Emerald City** by Roger Connors and Tom Smith (Prentice-Hall/Portfolio), which will appear from Portfolio in a completely revised edition in 2011 under the title **Change the Culture/Change the Game, Bargaining for Advantage** and **The Art of Woo** by Richard Shell (Penguin), **The Ultimate Sales Letter** by Dan Kennedy (Adams Media), **Topgrading** by Brad Smart (Prentice-Hall/Portfolio), **The Complete Idiot's Guide to MBA Basics** by Tom Gorman (alpha), **Why Didn't I Think of That?** by Charles McCoy (Prentice-Hall/Portfolio), and **Leading Self-Directed Work Teams** by Kim Fisher (McGraw-Hill).

He has also collaborated on fitness books such as Sally Edwards' **Heart Zone Training** (Adams Media) and pet books such as Myrna Milani's **Body Language and Emotion in Dogs** and **Body Language and Emotion in Cats**, (Morrow/ HarperCollins).

His Prima/Crown book **From Book Idea to Bestseller** has helped thousands of aspiring writers get their work successfully published. A frequent speaker at writers' conferences and workshops, Michael constantly promotes both his titles and those on which he has collaborated. His media contacts create feature articles in local and national newspapers and magazines as well as appearances on radio and television.

"We wish to thank our collaborator and agent Michael Snell for his thoughtful suggestions, editorial expertise and encouragement throughout this process."

—Roger Connors and Tom Smith founders of Partners in Leadership and authors of **How Did That Happen, The Oz Principle** and **Change the Culture/Change the Game** (previously **Journey to the Emerald City**).

"Thanks go to our literary agent, Michael Snell. Michael guided us from book idea to published product—brainstorming with us over the proposal, the book's title (the words 'the art of woo' were spoken by him first), the contract, chapter titles, and other matters large and small. Mike is more than an agent; he is a true friend and partner."

–Richard Shell, director of the Wharton School’s executive Negotiation Workshop and author of **Bargaining for Advantage 2nd Edition** and **The Art of Woo**.

For information about Michael, his company and his track record, visit his website at www.michaelsnellagency.com

PLAN ELEMENTS

This plan includes:

- I. **Positioning** the book, the company and the author
- II. The **Four Key Marketing Levers** the author will use to drive books sales
- III. The **Promotion Plan**
- IV. The **Time and Resource Commitment**

The content of the book derives from the intellectual underpinnings of Mass Ingenuity (MI), the company John Bernard founded and oversees as Chairman and CEO. Although launched in 2008, Mass Ingenuity includes founders and principals who enjoy extensive world-wide relationships that will help sell books.

I. POSITIONING

MI will take and own the position as the people who *get* the NOW. John and his partners will position the book, their company, and the author as the leading sources of information and tools for managing in the NOW. To that end, MI has registered and will build equity in the phrases:

MANAGING IN THE NOWSM
NOW Management SystemSM
The NOW momentSM
Competing in the NOWSM
Leading in the NOWSM

This will permit MI to build such recognition/association with the term NOW, that it will become a widely used and commonly understood addition to the vocabulary of business.

II. FOUR KEY MARKETING LEVERS

Mass Ingenuity will employ **FOUR KEY LEVERS** to support book sales:

1. Selling books to past and existing clients
2. Selling books through interest generated from a strong and growing social media reach
3. Selling books through other, high-reach, established relationships
4. Selling books through a growing track record of success with new clients

1. SELLING BOOKS THROUGH PAST AND EXISTING CLIENT RELATIONSHIPS

SITUATION

The partners in Mass Ingenuity have worked with over 700 companies, including large well-known brands such as Agilent, Boston Scientific, Baxter Healthcare, Kaiser Permanente, Microsoft, Nike, and Starbucks. In addition to enjoying broad-reaching access to the companies listed below (and many other small-to-medium sized firms), the company has created a private database of 9,500 executives known personally by



the author or one of his partners. These relationships represent a large potential book-sales base. Take Agilent, for example, the largest customer for a start-up John founded called StoriedLearning. Agilent’s Chief Learning Officer Teresa Roche believes passionately in John and his forthcoming book and has expressed interest in buying the book for all 2,375 Agilent managers.

Other large, prestigious contacts include:

ORGANIZATION	EMPLOYEES	MANAGERS
Agilent	19,000	2,375
Baxter Healthcare	45,000	5,625
Boston Scientific	25,000	3,125
Kaiser Permanente	167,300	20,913
LexisNexis	18,000	2,250
Microsoft	88,596	11,075
Nike	34,400	4,300
State of Oregon	55,331	6,916
PacifiCorp	6,500	813
REI	9,137	1,142
Standard Insurance	3,800	475
Starbucks	116,357	14,545
Tektronix	3,500	438
	591,921	73,990
Mass Ingenuity Executive Database		9,500
		83,490

STRATEGY

- A MANAGING IN THE NOW webpage linked to the Mass Ingenuity site that creates an Amazon-like experience. There buyers will find a sales pitch, a sample chapter, endorsements and reviews, and order forms)
- An aggressive campaign targeted at current and past and prospective clients to pre-sell the book
- A commitment for book purchases built into contracts for consulting engagements.

Quantified Audience of Potential Buyers: 83,490

2. SELLING BOOKS THROUGH AN EXPANDED SOCIAL MEDIA REACH

SITUATION

Mass Ingenuity, the author and his partners have engineered a first-tier set of social media relationships of about 8,450 and a second tier of approximately 176,000. In addition, the company has established alliances with two social media thought leaders, John Moore, Founder & CEO of Boston-based The Lab,

(<http://thejohnfmoore.com>); and Ayelet Noff, founder of www.blonde2dot0. MI will expand its relationships into robust sales channels for books and services.

Mi’s current social media reach to sell books:

SOURCE	CONTACTS
FIRST-TIER CONNECTIONS	8,450
Mass Ingenuity Blog Following	1,800
LinkedIn First-Level Connection	2,150
Facebook Following	2,600
Direct Twitter Following	1,900
SECOND-TIER CONNECTIONS	176,000
Twitter Following of Alliance Partners	41,000
LinkedIn Second-Level Connection	135,000
	184,450

STRATEGY

- Aggressively build the Mass Ingenuity blog via LinkedIn, Facebook and Twitter and through syndication with allied social media leaders, including The Lab and Blonde 2.0.
- Add a YouTube channel to the Mass Ingenuity Website and populate it with provocative clips, stories and “splainers” (a short web-based animation explaining some aspect of the NOW).
- Prominently display and feature the book cover on MI’s website and those of its partners
- Regularly post and push updates on the book featuring short sound bites to build interest.
- Post links that allow followers to read and comment on sections of the book during the writing phase.
- Pre-sell a premium priced “Collector’s Edition” of 2,500 copies featuring a custom cover jacket and book signed by the author (Mass Ingenuity commits to purchase the books, produce the custom cover and will market them through an e-commerce site).
- Create a “100-day countdown to publication” to build pre-publication buzz.
- Point all social media to the book website.

Quantified Audience of Potential Buyers: 184,450

3. SELLING BOOKS THROUGH OTHER HIGH-REACH ESTABLISHED RELATIONSHIPS

SITUATION

The author will personally contact 225,000 managers working for companies represented by TechAmerica (formerly the American Electronics Association). TechAmerica, the leading trade association for the world of high technology, boasts 11,000 member companies employing over 1.8 million people. The author will exploit his 20-year relationship with the association and its national leadership. He has already published articles in



their national trade magazine.

In 2010, BizJournals will nationally syndicate John's popular Portland *Business Journal* to the 41 American City Business Journals around the U.S. The papers reach a total circulation of 4.0 million readers, with a primary target audience of business owners and managers.



Through the author's relationship with Agilent's Chief Learning Officer, John has gained access to the Conference Board's Council for Learning & Development, where he will deliver the keynote addresses at the New York and San Diego meetings in 2011. Teresa co-chairs the oversight committee for the three sub-councils (east, central and west), representing the top learning executives from the majority of the Fortune 500. Also an active member of the Best Practice Institute, Teresa will provide John access to CLOs from such companies as Motorola, Lockheed Martin, Corning Inc., Volvo, Saudi Aramco, American Express, Johnson & Johnson Bank of America and GlaxoSmithKline.

John has appeared on Fox Business News as an expert as well as on other national media outlets (during the financial crisis, he wrote a provocative whitepaper titled "Capitalism Without Ethics") and he retains a publicist to create and maintain media relationships.

STRATEGY

- Leverage the TechAmerica relationship by:
 - Providing its national magazine with a series of articles based on the book
 - Presenting at the CEO Roundtables of the 17 major city chapters
 - Speaking at the 2010 TechAmerica Stanford Institute program
 - Developing a special buying program for TechAmerica members
- Leverage the BizJournal relationship by:
 - Including excerpts from the book in the column
 - Pointing readers to the book website
 - Serving as the lead presenter for one of their highly-successful webinars
 - Becoming one of the speakers they use around the nation for the PowerBreakfast series
 - Exploring a potential direct sales partnership
- Leverage the relationship with Teresa Roche, Agilent's Chief Learning Officer, by:
 - Serving as closing Keynote Speaker for the Conference Board's Leadership Development Conference 2011 on May 4 & 5 in New York and June 8 & 9 in San Diego (attracts a total of about 330 C-Suite Execs, CEOs of smaller companies and Chief Learning Officers of the Fortune 500). Speech Title: *What is Next? The Convergence of Social Media, Cloud Computing, and Millennials.*
 - Global webinar for the Best Practices Institute's Fortune 200 membership (scheduled for March 23, 2011 from 12:00 to 1:00 p.m. ET (90,000 potential participants, 45,000 theirs and 45,000 from Mass Ingenuity)

- Leverage the national media relationships in place and develop others through the use of a publicist, focusing on generating book profile opportunities
 - Seek out profiles in the New York Times and other major business center newspaper
 - Seek out timely/newsworthy events where a quick whitepaper tied to the book would develop national exposure

Quantified Audience of Potential Buyers:

TechAmerica managers:	225,000
BizJournal readers:	4.0 million
Conference Board CLOs:	300+
Best Practices Institute:	45,000 person email list from Affiliated Member Companies
National Media opportunities:	<i>Unlimited</i>

4. SELLING BOOKS THROUGH A GROWING TRACK RECORD OF SUCCESS

SITUATION

Mass Ingenuity has launched an ambitious growth strategy and has been adding eager new clients every month. Today the company employs five professionals and has contracted with another five experienced consulting associates. It has successfully targeted Portland, Seattle, San Francisco and Boston as bases for growth. Clients include organizations in both the private and public sectors. Mass Ingenuity enjoys a reputation as the leading consulting firm in the transformation of Oregon state government and has met with both the Republican and Democratic candidates for Governor. Mass Ingenuity has signed an open-ended contract within the state that allows any city, county, school district or state agency to contract directly with the company.

STRATEGY

- Include copies of MANAGING IN THE NOW for all executives and managers in consulting contracts
- Build book sales by creating buzz about the NOW management system
- Complete the planned transition so that the entire State of Oregon from the Governor’s Office on down uses the NOW Management System
- Deliver presentations on government transformation, as MI did to Oregon Government Information Technology Managers annual conference on August 19, 2010, to promote the book.
- Target national government leadership publications, blogs and conference to build national awareness of MI’s services.

OUTCOME MEASURE AND TARGETS

Opportunities to sell books:

State of Oregon Managers:	4,900
Managers of Private Sector Client Companies:	8-10,000

III. TIME AND RESOURCE COMMITMENT

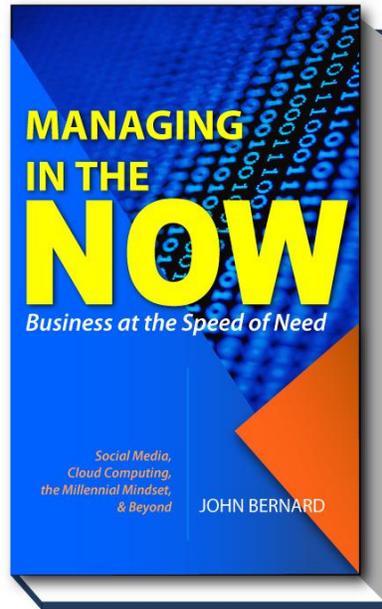
Mass Ingenuity will continue to create a selling synergy between its consulting practice and the book. John will personally commit 25 percent of his time to promote the book, deliver keynote speeches and presentations, conduct media interviews, blog, tweet and pursue opportunities presented by the publisher. The company will fund a marketing budget of \$75-\$100,000 to promote of the book.

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	Conclusions

BOOK SPECIFICATIONS

Projected Manuscript Length: 55,000-60,000 words
Format: Hardcover
Anticipated Delivery Date: 6 months from contract
Form of Delivery: Microsoft Word, submitted electronically



THE SERIES

FUTURE COMPLEMENTARY BOOKS BY JOHN BERNARD

MANAGING IN THE NOW: The Field Guide

Leading in the NOW

MANAGING IN THE NOW for Government

Growing the NOW Small Business

CHAPTER SUMMARIES

INTRODUCTION

The Future is NOW

Brandy Miller feels her pulse race as she listens to the irate customer yelling at her on Skype. “I’ve got six production facilities down because of a glitch in your damned software! “We need it fixed, and we need it fixed NOW!” bellows the CIO of TexTech, a manufacturer of mobile devices based in Dublin, Ireland. Apparently, the process control software developed by Brandy’s company Expedite and installed by TexTech only seven days earlier had crashed, and here sits Brandy, a young engineer who has volunteered for a short stint in customer service, knowing she must get this problem solved before Expedite loses a valuable customer.

“I’ll be back with an answer in 10 minutes,” Brandy promises. Immediately she flashes an internal distress tweet to her company’s global engineering teams, then she Skypes engineers in Vietnam. Within seconds everyone ransacks the cloud for documents, facts, and dialogue about the issue. The ensuing real-time conversation includes “tag” searching of blogs, video references, and quick access to critical documents. Expedite’s inference engine suggests the “best-fit” materials to review. Aha! Expedite’s maintenance team in Paris spotted and fixed the bug only yesterday. Within eight minutes of fielding her angry customer’s call, Brandy emails him a hot link.

The CIO apologizes for his outburst. “I certainly didn’t think you guys could solve the problem this fast. You’re amazing.”

The old adage insists that “speed kills,” but in the current business revolution speed can save your life, as it did Brandy’s. It happened because her company manages in the NOW, where a new breed of NOW workers solve problems at the speed of need. The convergence of social media, cloud computing and the Millennial mindset makes it all possible. Future technological developments will make it even more possible.

MANAGING IN THE NOW offers insight and tools to leaders who want to create competitive advantage in the brave new world where customers demand products and services and solutions NOW. The Introduction provides a satellite’s eye view of journey ahead.

The reader will learn:

- The Meaning of NOW.
- Why the author wrote *MANAGING IN THE NOW*.
- The tangible benefits of reading the book.
- How to use the book to create a sustainable competitive advantage.

Reinventing the Wheel

Prepare for the NOW

Picture this: one burly worker pushes a wagon up a steep hill; another pulls with all his might. The wagon's square wheels go "clunk, clunk, clunk" as the men struggle with their task, barely budging the precious cargo—sixty brand-new round wheels.

Their boss, obviously impatient with the lack of progress, studies his watch. Suddenly one of the wagon's square wheels strikes a rock and cracks in two, spilling the cargo onto the road. A round wheel rolls smoothly to the boss' feet.

"Hmm," murmurs the boss, scratching his chin. After pondering the situation for a few seconds, he picks up the wheel and heaves it to the weary workers. To make sure they understand his intent, he draws a perfect square in the air.

One of the workers takes a power saw and quickly squares the round wheel. He forces a smile as he shows the boss the spanking new square wheel. The workers attach the wheel and resume their plodding progress up the hill.

Sadly, a version of that fable plagues organizations throughout the world as leaders turn their backs on the new tools that would enable their people to achieve the speed necessary for building and sustaining a competitive advantage in a business environment that keeps changing faster and faster and faster. They cling to square wheels in a round world, unable to replace traditional management practices rooted in Mass Production with ones geared to the new era of Mass Customization. By design, conventional systems of management prevent both speed and customization.

Competitive success demands a management revolution, one that fundamentally changes an organization's agility by enabling every NOW worker to act on every opportunity every time.

The reader will learn:

- Why speed depends on adopting the potent "Yes" value proposition.
- How social media, cloud computing and the millennial mindset drive speed.
- How to embrace the new era of Mass Customization.
- How to enable every employee to act on every opportunity every time.
- How to assess the organization's NOW Quotient.

Avoiding the Collision

Restore Common Sense

On a pitch black night a nuclear submarine slashes at full speed through the icy waters of the Irish Sea. The captain orders his radioman to repeat his stern warning to the vessel lying directly in their path a few miles ahead.

“Again, this is the USS Montana requesting that you immediately divert your course 15 degrees to the north to avoid collision, over.”

An immediate response crackles through the sub’s speakers. “Please change *your* course 15 degrees to the south to avoid collision.” The captain stares at the blipping green dot on the Montana’s radar screen.

He grabs the microphone and bellows, “This is Captain Hancock, you *will* divert your course, over!”

Again, the response comes instantly. “Negative Captain, I’m not moving anything. Change your course, over.” The calmly unyielding voice infuriates the captain.

“I am commander of the USS Montana, the second largest vessel in the North Atlantic fleet,” he roars, “You *will* change your course 15 degrees north, or I will be forced to take measures to ensure the safety of this ship, over!”

After a tense pause, the calm voice responds, “This is a lighthouse, mate. It’s your call.”

While apocryphal, this story illustrates how a leader can stubbornly operate under invalid, even dangerous assumptions that run counter to common sense. While traditional management approaches should collapse in the wake of the transition from mass production to mass customization, too many leaders keep plowing ahead on the same old course, oblivious of the impending crash and the threat to their people’s very survival.

It all boils down to basic common sense. If you want your company to sail safely through the choppy waters of today’s tumultuous business environment, you must give your people the freedom and tools they need to seize each opportunity and solve every problem the instant they arise. This includes both front-line workers and their managers. It’s not rocket science. Keep it simple. Follow two fundamental rules: accomplish the mission; take care of your people. And do it in the NOW.

The reader will learn:

- How to make the shift from THEN to NOW.
- How to shift from a Mass Production mindset to one based on Mass Customization.
- How to conquer the Seven Deadly Sins of Management.
- How to face the waste and turn the corner on results
- How to avoid fads and create NOW powertools that accelerate improvement.
- How to engage and inspire a disengaged, disgruntled and disenfranchised workforce.

Seizing the NOW Opportunities

Drive Growth with Yes

Sylvia Radner needed that beautiful little black matte leather Marc Jacob's clutch; and she needed it now. It would be the perfect accessory for the little black dress Sylvia planned to wear to the Fortune Society Charity Ball Friday night. But, damn it, all day Monday she'd scoured every Seattle department store only to find that the clutch was as scarce as a hen's tooth. Finally, she reached Carla Swift, the ladies' accessories clerk at the downtown Nordstrom's.

"Ah, Mrs. Radner," soothed Carla when she heard the distress in Sylvia's voice. "You're in luck! I can get you one."

"Really?" Sylvia could not believe her ears. "When?"

"Now. If you order it right now, I can get the one bag in stock down at our Galleria store in Dallas on a plane today. You can pick it up here on Wednesday around noon. Would that work for you?"

"Oh my God!" gushed Sylvia, "Work for me? It would save my life!"

"Great. And Sylvia, just so you know, you can go to Nordstrom.com yourself any time and find any product you need in any Nordstrom's with just a few clicks."

Unlike Nordstrom's, too many businesses rely on policies and procedures that actually prevent customers from getting what they want. And no one struggles with that problem more than employees. Every day, every employee encounters opportunities large and small to advance the organization toward its goals. The NOW system enables employees to solve problems and seize opportunities with the speed and skill that results in delighted customers like Sylvia Radner.

Sure you must do the BIG things well, getting the right products to the right markets at the right time at the right price. But in the age of speed, you must also do all the SMALL things well. It takes both to sustain a competitive edge over agile competitors. You need to get every NOW worker, no matter how BIG or SMALL their responsibilities, to engage every second and every minute of every day in improving the customer experience, driving growth and reducing costs. NOW makes that happen.

The reader will learn:

- How to weave the Yes value proposition into the fabric of the culture.
- How to assess the degree to which current systems will fuel growth.
- How to apply the Eleven Commandments for managing in the NOW.
- How to put the people on the front line in charge of the NOW.
- How to build the three-part foundation for NOW action.

Leveraging the Gamechangers

Gain the Speed You Need

“Oh my goodness! Oh! Another one just hit!” NBC producer Elliot Walker was speaking live on the phone with The Today Show’s Katie Couric and Matt Lauer at 9:03 the morning of September 11, 2001. “Something else just hit—a very large plane just flew over my building and there’s been another collision.”

“And now we have to move from talk about a possible accident to talk about something deliberate,” observed Lauer.

In that pivotal moment, unmatched since the bombing of Pearl Harbor, Americans woke to the stark reality that their country was under attack by an enemy hell-bent on the death of every U.S. citizen. The spellbinding drama and fear it ignited that ensued stamped the phrase “The War on Terror” onto the heart of a nation. In a blinding flash, the world changed forever.

Of course, telltale signs had signaled the impending change, but it took a dramatic visible event to drive it home. The same has happened to the business world. Many telltale signs, born on the Internet, have gradually signaled that the game is changing. No single climactic event has occurred, but, nevertheless, life in the business fast lane has changed forever.

Three significant gamechangers--social media, cloud computing, and the millennial mindset—signal the change. More will surely follow. However, whatever new tools emerge, whatever new devices appear, no matter how much more the globe shrinks, an irresistible force keeps gaining momentum: the need for speed. The landscape has altered. Ignore that fact at your peril. Recognize it and act on it, and you can grasp the most phenomenal opportunity in business history.

Business leaders who grasp the value of the gamechangers and leverage them early in the decade ahead will prosper; those who do not will perish.

The reader will learn:

- How the gamechangers both enable and drive the NOW.
- How to use social media inside the organization to feed the hunger for instant information.
- How to use cloud computing to cut the cost of data access by 90%.
- How to harness the millennial mindset to facilitate speed.
- How to measure an organization’s increasing speed.

Working “IN” the Business

Create the Context for NOW

Imagine two outs, the bottom of the ninth inning of the Washington State Championship baseball game, with the Ketchikan Bears up by one, bases loaded, full count on the opposing batter. The Bears’ pitcher Matt Struthers peers at the catcher’s signal with a puzzled look on his face then begins his wind-up.

Sensing confusion about the called pitch, Bears’ Coach Pat Atkinson yells, “Time out!” and strolls to the mound. “Did you see the signal?” he asks Struthers.

“Yes, Coach” replies the young pitcher.

Atkinson returns to the dugout and watches as Struthers again stares at the catcher’s mitt as if trying to solve a particularly complex differential equation.

“Time out,” yells Atkinson again. The umpire shoots Atkinson a scolding look as the coach jogs to the mound.

“Did you see the signal?” Atkinson repeats, standing nose-to-nose with the young and nervous player.

“Yes, Coach, I did.” Struthers’ face reddens. The coach returns to the dugout. Out on the mound, the pitcher, sweating profusely, prepares to throw the most important pitch of his young career.

“Time out!” Atkinson once again bursts out of the dugout. The umpire looks baffled.

Atkinson takes the ball from his pitcher’s hand and looks him squarely in the eye. “Matt, do you *understand* the signal?”

“No coach, I don’t,” admits the young player.

“Just throw a high inside fastball. You’ll be alright.”

In the NOW, you cannot afford mixed signals, especially when the game’s on the line. The era of Mass Customization does not permit confusion in the field of play because the wrong pitch at the wrong time can cost you your competitive edge. Every employee needs know their role in the game so when the signal comes they immediately recognize and act on it. A clear understanding of individual accountabilities provides the foundation on which rests the freedom demanded by the NOW.

Context means everything. Management must accept responsibility for establishing it. The Management System Map creates a single-page picture of working “in” the business. It displays both the critical and the routine work of the business. Translated into scorecards, this tool connects every NOW worker to the mission and removes all doubt about what matters most to the organization.

The reader will learn:

- How to put the five underlying concepts behind the NOW System into practice.
- How to establish the context of the Mission with Values and Key Goals.
- How to define the Outcome Measures that focus everyone’s time and effort.
- How to connect every employee with the Management System Map.
- How to use the Outcome and Process Scorecards to guide individual performance.

Working “ON” the Business

Achieve Critical Breakthroughs

Steven Berglas, writing about Apple’s founder Steve Jobs in Inc. Magazine in late 1999, offered an scathing observation: “But Jobs, like virtually all charismatic leaders, also has a well-documented dark side that causes him to mutate from mesmerizing allure to sadistic perfectionism, often without discernible provocation. According to many reports, Jobs’ habit of dressing down subordinates helped get him booted from Apple when John Sculley was managing the company. Which brings me to my unsolicited advice to Apple's current board of directors that although they did well to exploit Jobs’ charms during salvage operations, they must now pull the plug before his arrogant and demeaning interpersonal style undoes all the good he has done.”

Of course, time has proven Berglas wrong. Jobs went on to engineer one of the most spectacular corporate turnarounds in modern business history.

Seven years later in a CNN interview, Synovus Investment Advisers portfolio manager Daniel Morgan joked, "Apple had plastic surgery and liposuction and a boob job." Actually, Apple underwent more than a cosmetic transformation. It created one breakthrough product after another to establish itself as the ultimate cool brand.

Apple’s sustained success does not depend solely on a unique and charismatic leader. It stems more from skilled and purposeful planning and execution of initiatives at every level of the organization. Time and again, Apple’s people work to accomplish an objective and skillfully leverage opportunities and remove obstacles to achieve it. That’s what NOW organizations do. They accomplish breakthroughs, both big earth shattering ones and small barely noticeable daily ones, because they give their people the freedom and tools they need to do their jobs quickly and well.

The reader will learn:

- The role breakthroughs play in transforming business performance.
- How to develop skilled planning at all levels of the organization.
- How performance breakthroughs transform the routine work.
- How capability breakthroughs expand core competency.
- How to develop a Strategy Map that connects every employee.

Creating Total Transparency

Close the Execution Loop

"I have to approve this transaction because it is the only available transaction," ruled Manhattan Court bankruptcy Judge James Peck just five days after too-big-to-fail Lehman Brothers filed for Chapter 11 protection on September 15, 2008. "This is the most momentous bankruptcy hearing I've ever sat through. It can never be deemed precedent for future cases. It's hard for me to imagine a similar emergency."

Little did Judge Peck realize he was seeing the tip of The Great Recession Iceberg, which would sink hundreds of major corporations, including the once most powerful corporation in the world, General Motors.

Why hadn't anyone seen it coming? Because the impending disaster was shrouded in a bank of fog created by the brilliant folks who had invented complex investment instruments not even the most astute bankers and economists could understand. Only full transparency can disperse such fog.

Transparency matters because in the real world of accelerating change *nothing* ever goes as planned. Count on it. Intervention demands visibility; early intervention demands early visibility. The Great Recession blindsided us because we could not see the iceberg looming over the bow of our Titanic economy.

A business that cannot see its problems will sink. In the NOW organization, The Quarterly Target Review makes problems clearly visible. A formal, detailed review of work "in" the business and "on" the business, it closes the loop, revealing any gaps between targets and actual performance. It reinforces accountability.

NOW Technology enables instant, perpetual accountability. By measuring performance on achieving targets for "in" and "on" work and standardizing intervention rules, it empowers immediate correction of off-plan performance.

The reader will learn:

- How to use the Quarterly Target Review.
- How to ensure speedy solutions to work "in" the business problems.
- How to ensure prompt solutions to work "on" the business problems.
- How to apply the seven rules for powerful and inspiring business reviews.
- How technology drives action in the NOW.

Enabling the Need for Speed

Create the NOW Workforce

Even before Mrs. Blastick can switch off her Buick's ignition in the parking lot of Les Schwab Tire dealership in Jordan, Utah, Schwab associate Mel Hutchins opens the driver's side door for her. "Good morning, ma'm," smiles the well-groomed young man. "How can we help you this fine spring morning?"

Little does Mrs. Blastick know that Mel has simply been delivering on the tire company's trademark "run and greet" policy that requires associates to begin taking care of customers even before they finish parking.

"My daughter thinks my passenger-side rear tire is low," Mrs. Blastick explains anxiously. "I bought them at Sears, but my daughter insisted I come to Les Schwab because she trusts you gentlemen."

"Would you like to some coffee while I check the tire, ma'm?" Mel asks.

"That would be nice." Mel walks her to the waiting area, jots down her name and helps her with the coffee.

Mel returns 20 minutes later and presents her with a rusty four-inch nail. "Mrs. Blastick," he says, "I found this nail in the tire, and it was causing a very slow leak. It's fixed now, so you no longer have to worry about it."

"Oh wonderful! That was quick!" She smiles. "Now what do I owe you for this?"

"There's no charge, ma'm. We're happy we were able to help you this morning."

"Well thank you, young man. My daughter was right, you gentlemen *are* wonderful."

Les Schwab's business exploded out of Prineville, Oregon into the most successful independent tire dealer in the country with 400 stores throughout the western U.S. for one reason: the company's mentoring approach teaches new hires how to make decisions and solve customer problems in the NOW.

Too many companies expect their people to solve problems but don't give them the freedom and tools they need to do so. Eighty to ninety percent of the solutions to an organization's problems do not lie beyond the skills and knowledge of its people. In fact, most people already know what they should do. They just don't feel free to do it. Or they lack the tools to do it. So why then don't we simply "empower" the frontline to make decisions in the NOW? Unfortunately, it's easier said than done. The conventional "empowerment" techniques popular in the 1980s and 1990s failed because they did not install a management system that both PERMITS and EXPECTS speedy problem solving.

The reader will learn:

- How to tap the human instinct for improvement.
- How to implement the already known solutions.
- How to foster a "Permit and Expect" environment.
- How to teach a workforce to act in the NOW.
- How to adopt common language for collaborative problem solving.

Defrosting the Fear Freezer

Balance Order & Freedom

Rarely does a CEO report an \$8.7 billion dollar loss with a beaming smile and an infectious optimism, but Ford Motor Company's Alan Mulally often shuns the expected behavior of a corporate chieftan. When he appeared on FOX Business television in late 2009, he behaved more like an abundantly confident David than the CEO of a fallen Goliath. That demeanor contributed, in no small part, to Ford's amazing turnaround.

Mullaly has led a management revolution at Ford, a revolution based on accountability and transparency. His famous Thursday Morning Business Plan Reviews take a no-nonsense fact-based look at global performance. As Tony Schwartz, authoring a piece in the Harvard Business Review Blog, describes it, "The day I was there, one Ford executive described a significant shortfall on a key projection. No one cringed, including Mulally, and the executive calmly outlined his suggested solutions. Then he invited others to share their ideas."

Many leaders don't understand the critical balance they must strike between order and freedom, yet at that balance point fear melts away and once fear evaporates, creativity can flourish. Mullaly defrosts the fear freezer with a balance between challenging targets and total candor about all problems, building an environment at Ford where people feel safe speaking the truth rather than wasting their time and energy pointing fingers and ducking accountability.

Some leaders opt for complete freedom but fail to account for the fact that total autonomy breeds anarchy and anarchy engenders chaos. Other leaders apply an overabundance of control but fail to take into account that total control fosters fear and fear results in paralysis. Both approaches abort the NOW. So, how do you strike the right balance between the two?

As management draws appropriate boundaries, it creates order, defining how employees can take advantage of the NOW Moments they see every day. Effectively defined and reinforced boundaries engender true freedom. The right balance between order and freedom creates a climate of trust. And a climate of trust makes working in the NOW possible.

The reader will learn:

- How to eliminate the fear that kills the NOW.
- How to rely on the order that creates safety.
- How to unleash creativity with appropriate freedom.
- How to balance order and freedom in order to create a climate of trust.
- How to harness the incredible power of autonomous action.

Reengineering Management's Work

Shift from Boss to Teacher

Renowned lawyer Alan Dershowitz recalls his breakfast with Leona Helmsley at one of the New York City Helmsley Hotels. When the waiter brought Alan a cup of tea with a few drops of water spilled on the saucer, Mrs. Helmsley, dubbed "The Queen of Mean" grabbed the cup from waiter, smashed it on the floor, then demanded that the waiter get down on his knees and beg for his job. Her antics seem more comical than tragic. Bad bosses intrigue us. From the sadistic chain gang overseer who tortured Paul Newman's character in *Cool Hand Luke* to the imperious Gordon Gekko in *Wall Street*, bad bosses make for good entertainment.

But if you work for one, your life can become a living hell. Your bad boss cares more about her own power than your welfare; she tries to control your every move you make; she delivers swift and severe punishment for even minor mistakes. Past generations of workers may have silently suffered such treatment, but the current generation, with its millennial mindset, will not.

The new breed of bosses, who manage in the NOW replace the old command and control skill set with a whole new range of behaviors that enable the workforce to succeed. They mentor, they tutor, they teach, and they coach. They nurture their people to bring out their best performance. They know that the mission's success depends on taking care of your people. Those who manage in the NOW support their people by effectively organizing the work, connecting their people to the work, and ensuring that they enjoy the resources they need to do the work NOW.

This chapter provides both practical tools for managing in the NOW and a new vocabulary and language that drives the effectiveness of the system.

The reader will learn:

- How to see the entire system into which each particular job fits.
- How to move from boss to teacher.
- How to ask the right NOW questions.
- How to help people focus on the most important opportunities and obstacles.
- How to speak the common language of NOW.

Understanding the Journey

Navigate the Challenges of Change

At a computing conference at Sierra College in the spring of 1976 three baby faced young scientists from the Xerox think tank in Palo Alto described their vision of a future in which a student could take a portable computer the size of a notebook to the park and do his homework in the shade of an apple tree. The audience snickered. After all, the college's brand new computer filled a room the size of 10 Volkswagen minibuses. That vision seemed like nothing but a pipedream.

Flash-forward to 2010 and it turns out that those kids from Palo Alto saw the future clearly. Students today do take their laptops and tablets to the park to research and write their term papers, to chat with friends on the other side of the world and to watch Star Trek reruns.

Change, especially major, transformative change can scare us. We worry about succeeding in a world where everything we know how to do requires new tools and skills and knowledge that boggle our mind. However, if we possess a clear map through change, if we can see the future clearly, we can conquer our natural fear of change and, in fact, embrace it.

MANAGING IN THE NOW not only maps out a new work world, it details the tools and skills and knowledge needed to complete a successful journey to NOW. A clear and concise statement of the organization's shared vision gives management a powerful tool for getting everyone operating at the speed of need. Capturing the future in less than one thousand words, the statement reveals exactly where the organization must go and thus replaces fear and reluctance with eagerness and joy.

The reader will learn:

- How to help people understand their fears.
- How to anticipate and successfully deal with resistance.
- How to predict an organization's future.
- How to shape and state a shared vision.
- How to connect organizational and personal vision.

Thriving in the NOW Advantage

Enjoy the Benefits of a Revolution

Dr. John Snyder, Dental Director and CEO of Permanente Dental Associates, the dentists who work for Kaiser Permanente, describes his experience with managing in the NOW. “I must say when we started we had no idea how far we would go with the force of the NOW Management System. We are enjoying improvements to virtually every measure that matters to us and our patients, improvements in excess of 20 percent and in some cases as high as 300 percent. When we created our shared vision it seemed so far away from where we were, but I can honestly say we have achieved most of what we imagined then.”

Dr. Snyder leads the second largest group dental practice in the country, with 120 dentists operating in Oregon and Southwest Washington. He bought into the system because he wanted his group to provide the best possible care. NOW he believes they do.

“For all of us it is immensely satisfying to be a part of something extraordinary,” says Dr. Snyder, who himself practiced general dentistry for 17 years before becoming CEO in 2007. “I am humbled by the enormous talent and commitment of our team.”

Quickly solving problems that waste everyone’s time, grows mutual respect and trust among all stakeholders, and that respect and trust, in turn, helps create a workplace that attracts talented people, a places where work makes sense and people know their work makes a difference in the world. It also attracts, delights and retains both customers and investors.

Once an organization gets itself operating at the speed of need, it can enjoy the benefits forever, because the basic principles on which it has built its culture will easily adapt to whatever new tools, skills and knowledge that come down the pike.

The reader will learn:

- How to let the system modify behavior.
- How to help engaged employees transform the customer experience.
- How to incorporate meaning into the work.
- How to maintain a strong moral, social, and economical responsible stance.
- How to maximize an organization’s impact on the U.S. and global economy.

CONCLUSION

MANAGING IN THE NOW clarifies the most fundamental economic transformation to occur in 100 years, a shift that turns the world of management upside down. The game has changed in a fundamental way. Will the future bring more changes? Yes. And they will undoubtedly arrive at ever increasing speed. In the world of high-definition television, manufacturers such as industry leader Samsung introduced new product enhancements once a year. Now they introduce major changes every three to four months.

Yet, no matter the coming changes in the business landscape, you have developed a new philosophy of management that will serve you well throughout the coming decade. The tools that come along will simply make it even easier to manage in the NOW and keep your company operating at the speed of need.

The reader will learn:

- How to develop the new philosophy even further.
- How to keep sharpening NOW skills and tools.
- How to add the next generation of skills and tools to the NOW toolbox.

CHAPTER TWO

Avoiding the Collision

Restore Common Sense

On a pitch black night a nuclear submarine slashes at full speed through the icy waters of the Irish Sea. The captain orders his radioman to repeat his stern warning to the vessel lying directly in their path a few miles ahead.

“Again, this is the USS Montana requesting that you immediately divert your course 15 degrees to the north to avoid collision, over.”

An immediate response crackles through the sub’s speakers. “Please change *your* course 15 degrees to the south to avoid collision.” The captain stares at the blipping green dot on the Montana’s radar screen.

He grabs the microphone and bellows, “This is Captain Hancock, and you *will* divert your course, over!”

Again, the response comes instantly. “Negative Captain, I’m not moving anything. Change your course, over.” The calmly unyielding voice infuriates the captain.

“I am commander of the USS Montana, the second largest vessel in the North Atlantic fleet,” roars the Captain, “You *will* change your course 15 degrees north, or I will be forced to take measures to ensure the safety of this ship, over!”

After a tense pause, the calm voice responds, “This is a lighthouse, mate. It’s your call.”

While apocryphal, this story illustrates how a leader can stubbornly operate under

invalid, even dangerous assumptions that defy common sense. Like the sub's Captain, Leaders who cling to erroneous assumptions put their entire organization at risk.

While you might expect traditional management approaches to collapse in the wake of the transition from mass production to mass customization, too many leaders keep plowing ahead on the same old course, oblivious to the impending crash and the threat to their people's welfare and survival.

It all boils down to basic common sense. If you want your company to sail safely through the choppy waters of today's tumultuous business environment, you must give your people the freedom and tools they need to seize each opportunity and solve every problem NOW. This includes everyone in the organization, from front-line workers to everyone in the executive suite. It's not rocket science. It boils down to two simple and fundamental rules: accomplish the mission; take care of your people.

Shifting From Then to Now

Imagine a recently appointed CEO "Kathy Taylor" staring at a report that shows her software company (to protect confidentiality, we'll call it "BearPaw") has, for the third straight quarter, failed to hit delivery targets for its best-selling product. "Damn it!" she yells during a meeting with her senior staff. "What is wrong with your people? I have talked about accountability until I'm blue in the face, but once again we're missing our shipping dates."

Kathy's outburst catches everyone by surprise, especially Bill Anders, the founder and former CEO who had tapped Kathy for the CEO job 18 months earlier because she had built a solid reputation as an executive who always delivered results for her former firm.

Now she was floundering, and that made her feel frustrated and angry. Later, after regaining her composure, Kathy discusses the situation with Bill Anders.

“I’m at a loss, Bill. What am I missing?” she wonders. After all, she had always turned in such stellar performances as a project leader. “I am doing *everything* I did in the past, but it just isn’t working.”

Bill shakes his head. “Maybe we need to change course and try something new.”

Welcome to the club Kathy. You’ve joined a rather large group of seasoned and freshly minted CEOs who can’t see what they don’t see. Back at her old company, while hitting home run after home run, Kathy had remained blithely unaware of the invisible NOW-oriented management system that had made it so easy for her to get great results. BearPaw has not built a NOW system. And just as Kathy couldn’t see the NOW system at her old company, she can’t see the THEN systems that lie beneath the surface at BearPaw. In both cases, Kathy didn’t see the underlying mental models, assumptions, behaviors and tools that drive the success or failure of every organization, something that happens quite frequently to new CEOs.

While the shift from Mass Production to Mass Customization has rendered the conventional mental models of management obsolete, most managers still cling to them. Relying on outdated thinking to get the job done today works just about as well as trying to pitch two tons of hay with a salad fork—it doesn’t matter how hard you work at it, you’re doomed.

Kathy and many other managers find it hard to replace the outdated model because they don’t even recognize the underlying assumptions that guide their own actions. Everyone has grown up working within the framework of some model and may never have examined its underlying logic, purpose or values. People naturally simply do what they’ve

seen others do. Like Kathy, they win a promotion then (if they're lucky) slip comfortably into "the way we do things around here."

As you saw earlier in this book, managing in the NOW requires that managers do things differently. Remember:

THEN: Mass Production aimed to create identical outputs in high volume at a low cost.

NOW: Mass Customization aims to create customized outputs in high volume at low cost.

If you do not act on the profound differences between THEN and NOW, you will almost certainly find yourself torpedoed by competitors who *have* learned to operate at the speed of need. Mass Production (THEN) relies heavily on centralized control and specialization

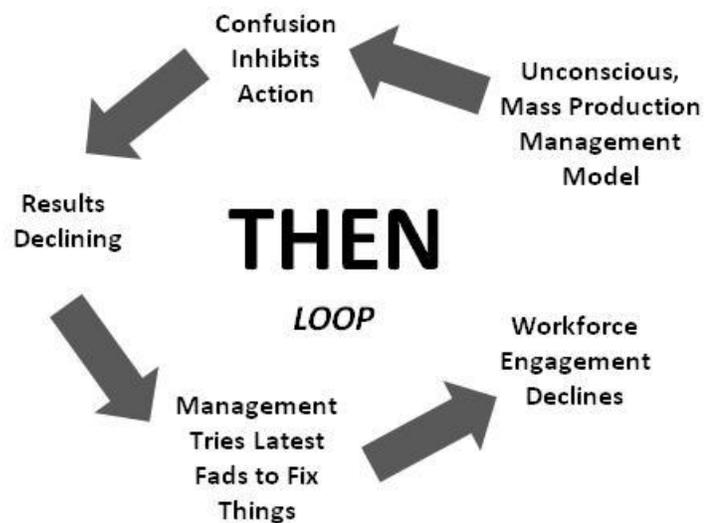
	MASS PRODUCTION	MASS CUSTOMIZATION
Output	High Volume, Identical, Low Cost	High Volume, Customized, Low Cost
Customer Strategy	Standardized Offering	Customization to Need
Required Agility	Slow	Fast
Driver	Managerial Hierarchy	Customer Need
Organizational Logic	Functional	Process Centric
Decision-Making Authority	Centralized	Distributed
Knowledge Strategy	Specialization	Generalization
Knowledge Use	Management	All Levels
Use of Data	Reports, Analysis	Decision Making
Improvement Strategy	Big Ideas	Incremental
Problem Solving	Ad Hoc, Intuitive	Standard Methodology, Fact Based

while Mass Customization (NOW) relies heavily on decentralized autonomous action. This shift completely changes the game with respect to customer strategy, required agility, the main organizational drivers, organizational logic, decision-making authority, knowledge

strategy & use, who and how people use data, and the improvement and problem solving strategies.

Given the often-invisible nature of these management assumptions, you must bring them up to the conscious level before you attempt any shifts from THEN to NOW. You can't sit back and hope that some happy accident will install the new thinking in your organization's culture. You could more easily create a dictionary of the Chinese language by setting off a bomb in a French print shop. It takes intention, work and more work to make the transition from THEN to NOW.

Living in the THEN Loop inevitably leads to a death spiral. Unaware of the change in the drivers of the global economy, leaders unconsciously press forward using mass production thinking. Lack of recognition of



that fact perpetuates confusion, confusion that inhibits the NOW actions the organization needs to prosper. Results slowly decline, prompting leaders to seek out solutions that will improve results, grabbing and inappropriately rolling out such tools as lean, six sigma and the balanced scorecard, which, when applied in the right context, still hold their magic. But, used improperly, these tried-and-true solutions fail to deliver desired results. Crammed down people's throats, they breed suspicion, resistance, disruption and even sabotage. Leaders grow frustrated and angry. And weary. As the fad fades, the employees experience something they've seen many times before, a program launched with much fanfare eventually tossed in the dumpster. No wonder they further disengage from the business.

In sharp contrast, the NOW loop creates enormous clarity and focus to guide and inspire quick action at all levels of the organization. Once that sort of speedy action improves results, then such tools as social media,



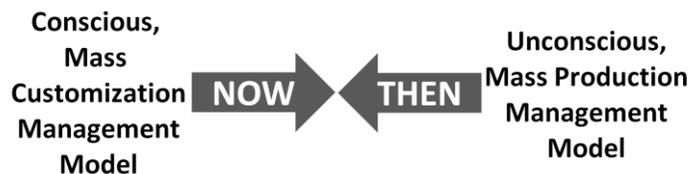
cloud computing, lean initiatives, six sigma and the balanced scorecard make sense if, and only if they will accelerate the organization’s ability to hit clear and well defined targets. Everything and everyone works together serving a common vision.

The THEN Loop defies common sense. The NOW loop restores it.

That was THEN, This is NOW

My father learned about management from watching my grandfather run the family auto repair business. I remember witnessing from a safe distance when Dad fired one of his workers. Naturally, he did it the

way he had seen his own father do it: he “rode” the employee long enough and hard enough that the



soon-to-be-former employee eventually lost his temper and took a swing at his tormentor. My father just ducked and angrily shouted, “You’re fired!”

Whether we’re talking about management or building a fine mahogany cabinet, we all learn through observation. In fact, most of us prefer to learn by watching a skilled person

do the job. Of course, that form of learning only works well if the other person possesses *excellent* skills.

People augment their observation with training, reading, and, in some lucky cases, with coaching or mentoring from someone who knows the ropes. Their ideas about management come via the same routes and settle into the unconscious mind.

Henry Ford invented the Model T over a hundred years ago. The automobile changed the world forever. But Ford created something far more important than the Model T. He created a whole new way of doing business by designing a highly efficient and disciplined system of management that dramatically cut the cost of making automobiles. His “mass production” approach drove costs, down transforming the “horseless carriage” enjoyed by the elite, to a product within grasp of the burgeoning American middle class.

His management system aimed to accomplish one primary objective: drive costs down. Ford designed it because he believed that at the right price point the masses would flock to his product. Ford pursued that goal with an obsessive passion.

At Ford *managers* made the decisions and everyone else followed their orders. The system simplified work by breaking it down into small tasks, which the company could train people to do over and over again. The faster they could perform the tasks, the more they would lower the cost of the end product. Management became preoccupied with time-and-motion studies that helped them turn work into a highly repetitive, brain-dead process that eliminated all possibilities of thinking on the assembly line.

Ford and other proponents of the “new” management defined the functional disciplines of modern organizations: engineering, accounting, sales, marketing, manufacturing, and even management. A unique language and toolset emerged for each of these disciplines, which colleges and universities eventually added to their business curricula. Thus did each new discipline become its own silo of expertise.

The system delivered spectacular results. U.S. productivity turned the country into a global power. Mass Production created more wealth for more people than any other system of management in the history of the world.

Ford's model remains the model of modern management, imbedded deep in our unconscious minds; every day we rely on his concepts without pausing to think about it.

The human body consists of many automatic systems that function without conscious control. The autonomic nervous system for example, supplies impulses to the heart, muscles, and glands, which perform their vital tasks without the conscious mind ever giving it a thought. The cardiovascular system performs its work without intervention, as do the digestive and nervous systems.

In the business world, even today Mass-production management logic functions the same way. It hums along in the background. Managers take its constructs and rules for granted. The underlying assumptions permeate institutions to their very core. Together, they become "the way we do things around here."

Mass-production logic insists that you slow down the inputs in order to speed up the outputs. Since it requires cast-iron consistency, mass production cannot easily cope with a lot of creative thinking because new ideas, especially imperfect ones, disrupt the machine's efficiency. That explains the old logic's preference for centralization and the careful management of all ideas. Keep the machine humming. Resist new ideas, because the ones that end up not working will create a mountain of rework that can slow an already plodding system down to a crawl. Only those at the top of the food chain, the experts who have gained their expertise in the university silos, can decide which ideas merit introduction into the system. On a practical level, that creates an idea bottleneck because the experts cannot possibly evaluate even a fraction of the new ideas that come along.

In today's business world, however, you cannot afford to turn your back on new ideas, even little ones, even ones that seem a little crazy, because they may propel you ahead of your competitors. You need new ideas, and you need them NOW. In the brave new world of mass customization agile competitors who seize and exploit the best new ideas will clobber leaders who cling to the old logic. If you live by the old logic, you will die by the old logic. In our speed-driven world, the new logic insists that you make important decisions and take decisive action in the NOW. Otherwise, you will squander all the great opportunities that come your way. That applies to each and every member of the organization, from the raw recruit in shipping to the seasoned Chairman of the Board. If an organization fails to operate in the NOW, its leaders will not only see things slowing to a crawl, they will find themselves presiding over a funeral.

In a mass production world frontline management listen to the engineers and their bosses, they then communicate their directives to the workers. They do *not* get paid to listen to and implement employee ideas. Interestingly, in the early days of mass production management revealed its view of the role the workers played in the system by referring to them as “wrenches“, “hammers”, “hands,” “oilers”, and “grease monkeys”, who worked with their hands, not their brains.

The world has changed; management has not. When mass production moved to China and other parts of Asia, America's economic driver became mass customization, and while the switch to mass customization has by no means completed itself, anyone who pays attention to the signs can see a major transformation occurring.

If you come up with a new widget that an eager audience can't wait to buy, you'd better not make them wait, unless you want to see them rush off to a competitor who *will* satisfy them at the speed of need. Management must make sure those customers do not stray, and all the old silo functions must support the cause, from R&D and engineering to marketing

and sales, customer service, accounting and even the janitors. Management's number one job in the new order? Replace confusion with clarity.

From Confusion to Clarity

Some years ago I attended a meeting where I found myself seated at the head table with, among others, the keynote speaker for a big local chapter event of the American Electronics Association (now TechAmerica), David Galvin, then Chairman and CEO of Motorola. Motorola, at the top of its game, had just won the first-ever Malcolm Baldrige Award, the national quality award instituted by the U.S. Congress in 1987 to honor the Commerce Secretary who had died in a tragic accident. Galvin was touting the award on a national speaking tour.



I posed an innocent question to Galvin's associate, Motorola's vice president of quality, who was seated at my left. "So Motorola knows how many times the phone rings in customer service before it gets answered? And, am I correct to say it knows the yield, cost, and cycle time of its production and its engineering processes?" The executive nodded vigorously.

I continued my questioning: "It's great that you do a lot of impressive things, but how do you know your management process is working? What do you measure to know that your system of management is effectively running the company?"

That question prompted a look from the executive that made me want to touch my head to see if I had suddenly sprouted rabbit ears and check my words to see if I was spouting gibberish. He had no clue what I was talking about. Obviously, this Motorola executive

didn't think of management itself as a process, even though a cursory look at how Motorola ran its business made that process quite apparent.

That moment marked an epiphany for me. At that exact instant I knew that I was onto something important because not even the executives at the best-run company in the U.S. were thinking about it. When many executives talk about management, they talk mostly about small "m" "management" or boss-to-subordinate management (managing people). Somehow they don't see big "M" "Management" or the process (managing the business) they actually need to manage, just as they manage any other vital business process. I simply could not imagine why the concepts of process and process improvement did not apply to management, the mother of all process. An entire branch of process improvement, Six Sigma, focuses solely on the reduction of process variation. Yet most managers I have met, especially those who have worked for several companies during their careers, will quickly agree that few business processes display *more* variation than the management process. And the chief indicator of management variation? Confusion. Unless every single employee knows the organization's precise destination and their exact role in ensuring that the organization reaches that destination, confusion will reign.

Over the years we at Mass Ingenuity have developed a list of the 7 Deadly Sins of Management: the most common variation-inducing failings committed by management. We did this primarily to clarify that management actually is a collection of interrelated processes. We begin with this simple assumption:

Every business uses a management system. Whether visible or invisible, effective or ineffective, consciously or unconsciously managed, it is still a system. Most organizations use a barebones system that involves some form of goals translated into the organization's budget. The remainder of this typical system includes monthly budget reports and, of course, the infamous annual employee performance reviews (loosely coupled to the goals).

That leads to a second assumption:

Whenever an opportunity arises where taking action on it would advance the organization toward its goals, but the employee who sees it can't or doesn't take the best possible action, that lost opportunity represents management waste.

The 7 Deadly Sins of Management highlight the waste caused by management when its system does not effectively connect all the vital pieces of the organization.

The 7 Deadly Sins of Management

1. **Unclear Direction:** If people don't know the organization's destination, they can't spot opportunities to help it get there.
2. **No Line of Sight:** If people can't see how their work connects to the destination, they won't make the best possible decisions in their daily work.
3. **Unclear Accountability:** If people don't know what others count on them to do, they won't do it.
4. **Inconsistent Language:** If people don't use a common vocabulary with clear and simple definitions of each word, they will waste valuable time trying to understand each other.
5. **Poor Issue Transparency:** If people do not feel safe raising issues, they will bury problems that will hinder progress toward their goals.
6. **Inappropriate Resources:** If people try to do their work without sufficient resources, they'll end up with disappointing results.
7. **Inadequate Tools/Skills:** If people lack the skills and the tools they need to get results, they won't get the desired results.

NOW solutions will help managers avoid committing each of the 7 Sins and thereby avoid all the waste that so often occurs when variation creeps into a management system. (The parenthetical numbers in the “NOW SOLUTIONS” cell in the following table, indicate the chapters in which you will find these tools)

No.	SIN	WASTE	NOW SOLUTION
1	Unclear Direction	Lost Opportunities	Shared Vision(11), Management System Map/mission, key goals, values (5), Outcome and Process Measures(5), Strategy Mapper(6)
2	No Line of Sight	Bad Choices	Management System Map/core processes and cascaded process measures(5), Strategy Mapper(6)
3	Unclear Accountability	Inconsistent Actions	NOW Dashboard(5, 7), cascaded process measures(5), Quarterly Target Reviews(7)
4	Inconsistent Language	Confusion and Misunderstanding	Detailed common language for everything from fundamentals to planning to problem solving(<i>Appendix, all chapters</i>); everyone knows it and talks it(10)
5	Poor Issue Transparency	Fear and Secrecy	NOW Dashboard(5, 7), Quarterly Target Reviews(7), 7-Step(8), Breakthrough Reviews (6,7)
6	Inappropriate Resources	Disappointing Results	Breakthrough Planning(6), Outcome and Process Scorecards(5), Quarterly Target Reviews(7)
7	Inadequate Tools/Skills	Mission Failure	Core Process knowledge accumulation(5), 7-Step(8), Breakthrough Planning(7)

With the above chart in mind, take a few minutes to complete the NOW Speedometer test, which will give you a rough idea of the amount of waste your current management system may be causing in your organization.

NOW Speedometer: *Management Waste*

THEN	-			NOW
	1	0	+1	
Unclear Direction				Clear Mission, Vision, Values & Key Goals
No Line-of-Sight Connecting Each Worker to What Matters				Every Individual Connected to the Organization's Direction
Unclear Accountability				Crystal Clear Who Owns What
Inconsistent Language				Common Language Spoken by Everyone
Poor Issue Transparency				All Issues Safely Out in the Open
Inappropriate or Inadequate Resources to Get the Job Done				Resources Sufficient to Achieve Targets
Too few Tools & Skills to Get the Job Done Well				People Have What They Need to Succeed
<i>Sub Totals</i>				
Management Waste NET SCORE				

ADD THIS SCORE TO THE CONSOLIDATED SCORE ON PAGE 318

To translate your score into real dollars, follow these steps:

1. Identify your sector (manufacturing, service-includes software companies, or government) in the table below.
2. Take your Net Score on the Management Waste Speedometer, and highlight the number in the table below closest to your score. That's your "waste as a percent of operating costs" number.
3. Using that number and your annual operating costs, calculate the dollars wasted.

Waste as a Percent of Operating Costs					
<i>Speedometer Score</i>	-7	-3	0	+3	+7
Manufacturing	>30	25	19	13	<7
Service	>40	33	26	19	<11
Government	>50	42	34	25	<15

For example, the COO of Widget, Inc. calculated his company’s management waste like this:

1. Widget falls into the “Manufacturing” category.
2. When the COO completed the NOW Speedometer/*Management Waste* test, he arrived at a Net Score of -3. That means his organization wastes about 25% of its operating costs.
3. Widget’s annual operating costs run \$28 million, Therefore Widget racks up approximately \$7 million in management waste each year.

Let’s explore how Widget can reduce or even eliminate that waste.

From Declining to Improving Results

Eric can frame a four-bedroom house in three days, provided all his tools are working properly. Today, his power drill has crashed. So he goes to his boss, Manoj. “All I need is a blasted \$79 Makita drill I can pick up at COSTCO tonight. Yeah, yeah, I know I can fill out a stupid purchase requisition form, wait three weeks and then get it from purchasing, but they pay \$154 for the same drill. I need it now, boss.”



“I’m sorry our rules don’t make sense to you,” consoled Manoj. “But that’s how we do things around here. Trust me, there’s a good reason for it.”

“If I told my wife she has to fill out a form in triplicate so she can pay twice as much for the new car seat she needs for Eric, Junior, she’d shoot me.” Always a top performer, Eric hated all this bureaucratic nonsense. But he just shrugged his shoulders and walked away, adding one more pebble to his growing mountain of frustrations on the job.

Eric’s frustration mounts because he knows in his heart when a rule defies common sense. He knows nonsense when he sees it.

Waste abounds in organizations. Organizations that prevent people from doing what they do best and doing it well end up paying a huge price for all the waste, lost opportunities, irate customers and of course, the disengaged workforce their THEN system creates.

Thirty years ago I remember my astonishment when I learned that a typical manufacturing company wastes 25-30 percent of its operating budget on non-value-added work, service organizations waste 30-40 percent and government wastes a whopping 40-50 percent. If you think those numbers have declined in the wake of all the new-fangled management fads that have come along in the past 30 years, think again. Whenever our firm presents these numbers to clients, they never object but just nod their heads in agreement. Many even say, “Those numbers are low!”

Our many years of experience working with government agencies and businesses in most every industry has convinced us that the problem stems, more than anything else, from management’s inability to shift its approach to problem-solving to match the shift from the old world of mass production to the new world of mass customization. That’s why we focus intently on how, where and when people in organizations make decisions.

While modern managers like to think of themselves as enlightened, most still favor centralized, often highly centralized, decision-making. Whenever a decision gets kicked upstairs to a higher authority, the decision will *not* reflect the full reality of the situation,

and it will take far too much time for it to get back to the front line to solve the problem.

Consider this typical THEN chain of events:

- Front-line worker encounters a customer problem.
- Policy dictates that it go up the food chain to the employee's supervisor.
- The supervisor cannot deal with the problem right away.
- It turns out the supervisor must escalate the problem further up the food chain to a senior manager.
- The eventual decision travels back down the food chain, from senior manager to supervisor to front-line worker.
- The front-line worker needs to ask some questions about implementing the decision.
- Back up the food chain go the questions.
- Back down come the answers two days later.
- Goodbye impatient customer, who has fled to a competitor.

With that kind of system in place, no wonder workers (and customers) view management as impediments and time-wasters. When it comes to responding to need with speed, managers can *only* impede action and waste everyone's time, including their own. Common sense would prefer a different flow of decision-making:

- Front-line worker encounters a customer problem.
- Front-line worker runs through the organization's problem-solving protocol.
- Customer receives a decision within an hour—if not immediately.
- Customer remains loyal and tells 10 friends about the satisfying experience.

Typically, managers shoulder a lot of upper level responsibilities such as serving on task forces, planning for new products, taking compliance training, tracking budgets, and

analyzing the situation when things go wrong. Ask them to add in-the-moment problem solving and decision making to those responsibilities, and you just add the last straw that brings the camel to its knees.

Meanwhile, front-line workers, lacking the authority to act, can only watch helplessly as opportunity after opportunity slips through their fingers. Who cares? “If the boss doesn’t, why should I?” Employees disengage. They let common sense fly out the window. “I’ll just keep my head down and my mouth shut and stay out of trouble.”

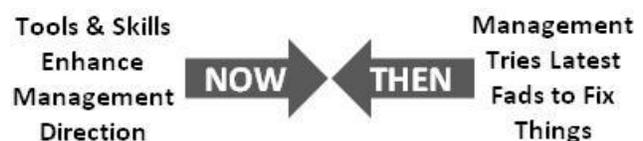
Why does it seem that so many leaders systematically inflict this nonsense on their people? Why don’t they simply enable the people who live in the middle of the opportunities and obstacles to act with speed and precision? Why do they ignore all the waste such a system eventually creates? Chalk it up to inertia, to the fact that it takes a tremendous amount of insight and energy to restore common sense to an organization.

The NOW solution, however, restores common sense in three simple steps: *Create context. Train people in problem solving. Get out of the way.*

Once solutions start moving at the speed of need, everyone wins: customers get quick answers, front-line works gain tremendous satisfaction, managers can focus on their strategic responsibilities, and the organization gets terrific results. And nothing energizes people and organizations more than results (more about this in Chapter 8).

The Right Tools in the Right Place at the Right Time

Not long ago we were hired by the CEO of “InvestCo”, a multi-billion-dollar financial services company to help jumpstart the company’s poor performance. Somehow, their adoption of state-of-the art process



improvement techniques had not affected the numbers at all. When I sat down with “David”, one of InvestCo’s key officers, I asked to see the binder in which he stored information on all of the company’s process improvement efforts over the past year. David was a highly capable, bright and enthusiastic man who really loved his job.

“Look at this,” he beamed, as he showed me documents in the four-inch binder detailing the first major project.

It all looked quite impressive, so I asked the logical question, “What measurable improvements did the team achieve?”

Without batting an eye David responded, “Well, since these were the first process improvement projects InvestCo has implemented, we didn’t want to put pressure on the employees by measuring results.”

I almost fell out of my chair. Talk about bad things happening to a good theory! Process improvement is about (drum roll, please) *improvement*. You start with current performance, identify what’s getting in the way of *desired* performance (root cause), design solutions, implement them and then measure progress.

Nothing measured almost always means nothing improved. You can create wonderfully streamlined forms, organize them in handsome binders and fill them out meticulously and assume that will do the trick, but if you don’t measure progress, you’ll probably see little more than a few cosmetic changes. Process improvement projects done the right way entail a lot of damned hard work piled on top of all the regular work. If you don’t do the work and measure the results of the work, you might as well have done nothing at all and saved the cost of all those pretty binders. In the case of Investco’s efforts, I could easily see that despite all of David’s commitment and enthusiasm, he had merely been going through the motions. My suggestion to the CEO? “No wonder you guys gave David that little office across from the boiler room. You wanted to install the latest fad, but your heart was never

in it. The whole undertaking strikes your people as just a lot of smoke with no fire behind it.” It was a classic case of doing the right thing the wrong way.

Social Media, Cloud Computing, process improvement projects, lean initiatives, balanced scorecards, ERP systems, change management programs, culture-building efforts, leadership development seminars, Six Sigma strategies, and individual and team emotional intelligence training all offer potentially powerful tools for boosting performance, but more often than not they fail to get desired results because the organization treats them as mere add-ons. Add a melodious bell and a shiny whistle to a broken tricycle, and you still end up with a broken tricycle.

The InvestCo story underscores one of the problems with jumping onto the latest management-technique bandwagon. Again and again, I have seen a company bring Lean or some other worthy technique into the organization where it languishes for about three years until the “way we do things around here” wears down the zealots who end up capitulating to the organizational norms. The tricycle remains broken but with a few more dents in its frame.

Leaders, hungry to find the management Holy Grail, read all the latest bestselling business books until something makes them shout, “Eureka! This is it, the ultimate solution.” They rush to adopt it. They hire the author’s consulting firm to help install it. And, by God, for a year or two it seems to be doing its magic. But the change engine loses steam until, after enjoying some initial benefits from the investment, the leader formally abandons it three years later in favor of The Next Big Thing. In truth, that leader does not understand a basic management truth: “It’s not the tool, dummy, it’s the implementation.”

A NOW Management System prioritizes, connects, enables, and drives the execution of all work in an organization, ensuring that people enjoy the authority to use every resource to achieve the organization’s goals. It can incorporate all the best and latest management

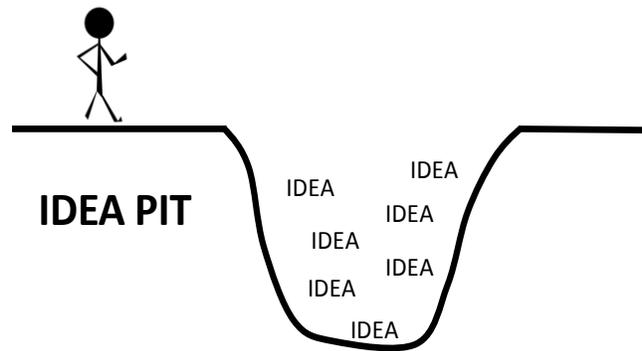
tools, but only after leaders have established the right context for implementation. The right system provides the right context. Not even the most powerful tools can fix the tricycle if they do not operate within a strong system of management. Only then can the tools create sustainable value and help people deliver desired results. However, as we pointed out earlier, most organizations rely on unconscious and undisciplined systems of management that cannot support even the most powerful new tool.

From Disengaged to Engaged

“FactorY” buys a lot of cabinets to house its supercomputers. It’s Brad’s job to assemble them. For four months the supplier has sent cabinets with the wrong fastening bolts in place, causing Brad a lot of wasted time finding the right ones and swapping them for the bad ones. He put up with it because he knew that it would take a ream of paperwork to get purchasing to deal with the problem. Brad started to dread the work. Then one day his new boss, Mika, suggests Brad take a cup of coffee to Tammy in purchasing and tell her: “For some reason the bolts are a half-inch longer than specified on the drawings. Can you get that straightened out with the supplier?” Voila, the next shipment of cabinets contains the right bolts. Brad can’t believe it. “Thanks, boss,” he tells Mika the next time he sees her. “Your suggestion solved a problem that had been making me grind my teeth for months.” Mika smiles. “Good job, Brad. Whenever you see a problem like this, you can go straight to the person who can help solve it. You don’t need to ask my permission or fill out a bunch of ridiculous forms.”

Clearly, Mika brought a NOW mindset to her new job. If she hadn’t, Brad’s frustration would have grown day by day until he disengaged from his work and accomplished less and less each day. Now he feels energized, valued and eager to solve more problems. His former

boss, Maria, was mired in the THEN. Whenever he went to her with a problem, she would hand him a form to fill out and submit in triplicate. The first few times he did that, nothing happened for three months. He and his buddies in the mechanical assembly department had nicknamed her area “The Idea Pit.” Soon, they just let problems like the bad bolts slide as they labored to deal with them without her help. Discouraged, they all just put their heads down, plodded forward and kept their mouths shut.



Maria herself would have preferred to solve problems more swiftly, but whenever she had tried to buck the system, her boss warned, “Don’t reinvent the wheel, Maria. We do things the way we do them for very good reasons. Get used to it.” It didn’t take long for her to disengage and for her people to see her as just another by-the-book automaton that punched the clock and never made waves. The whole department became not just an Idea Pit, but a Slough of Despond. She ended up quitting in disgust. Fortunately for Brad and his colleagues, FactorY’s CEO hired Mika, who brought a millennial mindset to her job and wasted no time replacing the creaky old THEN system with a sprightly new NOW one.

A friend of ours manages the league at his local golf club. Jokingly, he fashioned little one-quarter inch squares of paper he could hand to anyone who complained about the way he was running the league. “Here,” he’d say, handing the complainer a tiny square. “Fill this out in detail and in triplicate and submit it between 3:00 and 3:05 AM on Friday.” Those made folks laugh, because they know from experience that the old suggestion box in most organizations inevitably turns into an Idea Pit that swallows ideas and never spits them out.

All too many organizations lack a formal protocol for acting on opportunism and solving problems, even seemingly obvious ones like bad bolts. Why? *Boundaries*. Whether you realize it or not, your management system prescribes what people can and can't do. It sets certain boundaries people cannot cross, even if doing so will solve, rather than cause, a problem. In a THEN environment a boundary erects a barrier to action. In a NOW workplace it fades away when a problem needs an immediate solution. A NOW organization sets aside the notion of boundaries in favor of *striking the right balance between freedom and order* (more on this crucial subject in Chapter 9). Without a means to solve problems whenever and wherever they arise, problems go unsolved. Without a means to act on an opportunity, opportunities fly out the window.

I conducted a poll on LinkedIn asking the question “what percent of employee ideas get implemented in your company?” The results though discouraging, didn't surprise me for a second. A full 81 percent of those responding said less than 10 percent of their employees' ideas ever see the light of day.

While most leaders readily admit that they cannot count the number of ideas their people implement per year, they know it is dismally low. Yet, who but the leader can make that happen. Many business variables lie beyond your control, but one does not: the work your people do. If you enable them to act in the NOW, you empower them to make all the ingenious acts of micro-genius that enhance performance, stimulate suppliers, satisfy customers and please shareholders. Authority to act equals engagement. Problems pop up, people solve them, pride flourishes, and everyone feels energized to tackle more and bigger problems. Most executives I interview believe they can turn this situation around if managers only “listen more to our employees.” But that alone never works. If management really takes time to listen to *all* employee ideas, they will filter and block the vast majority

of them and thus create the same old bottleneck. Management must let employees act in the NOW by building a system of management that ensures that they *can* act in the NOW.

In our opinion, leaders need to rethink their definition of employee engagement. In the past most leaders think of it as creating an environment where people feel valued and properly rewarded for their accomplishments. That's fine, but how do you create such an environment? We think you:

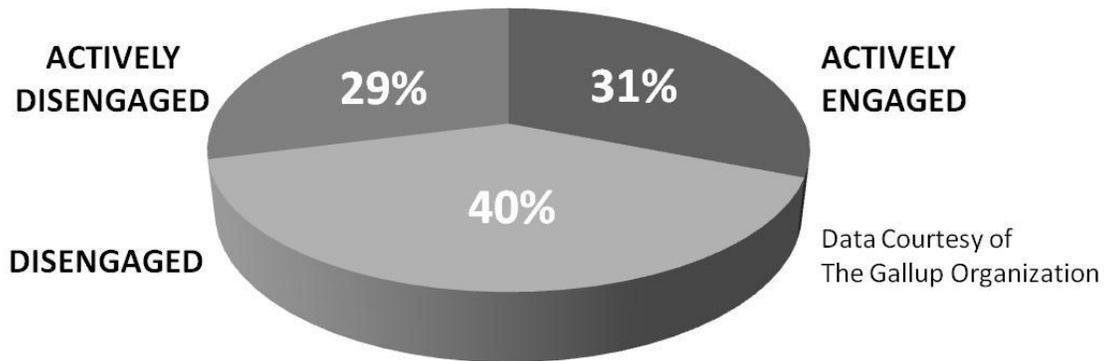
- Enable people to conceive and implement incremental improvements, micro-inventions, and micro-ingenuity on their own initiative and without seeking permission.
- Make sure people understand the context created by the numbers that measure enhanced customer experiences, accelerated revenue growth and reduced costs.
- Emphasize the added value of creating superior products and services produced at the lowest possible relative cost that command the best relative prices in the marketplace.

Employee engagement is not about people feeling all warm and fuzzy; it is about people possessing the knowledge, skills, and authority to act swiftly and skillfully without gaining permission, just as a business *owner* would.

Sadly, according to The Gallup Organization and numerous other respected analysts, most enterprises fail miserably at engaging their people in that way and, as a result, end up paying an enormous price—huge piles of waste—for that failure.

No greater condemnation exists for conventional management practices than the disengagement of 69 percent of American employees. Of those, 40 percent could care less. They just show up, follow orders, question nothing and keep their mouths (and their brains) shut. The remaining 29 percent actively sabotage the company's performance.

Workforce Engagement



The passively disengaged are the B and C players who do just enough to get by and win a decent performance appraisal. Good people at heart, they have figured out how to play the system. Knowing the system resists new ideas and prompt action, they go along to get along. They may work hard, but at 5 o'clock they punch out and stop thinking about their jobs the minute they walk out the door. Suggest they do otherwise, and you may wind up with a mutiny on your hands.

Actively disengaged people quietly throw monkey wrenches in the works, some of them small and relatively harmless, some of them big enough to bring the machinery to a grinding halt. These employees know that if they throw the right wrench the machine will jam. They have grown so frustrated with their jobs that they really don't worry about losing them—in many ways that would provide a welcome relief from all the stress. While their frustration may stem from the classic management abuses: their direct boss shows them little-to-no respect, treats them like children, yells and threatens when they make mistakes, pin problems on them in order to escape their own blame, ignores them or reneges on a promised pay raise. But the number one cause? The total absence of common sense in the organization. Over time that will drive the passively disengaged to the ranks of the actively disengaged.

While “going postal” describes extreme acts of disengagement, “going unproductive” or “going wasteful” more accurately describe the more common forms of active disengagement. They can range from the simple rationalization that an employee deserves to take home some supplies or tools to compensate for a bad workplace to spending a lot of work time bashing the company or purposely screwing up a customer order knowing no one can trace it back to the perpetrator. One time some years back I was calmly reviewing a problem with a phone company rep, and could not believe my ears when she burst into profanity and hung up on me. Of course, I couldn’t track her down to complain about her behavior, but upon reflection I decided to let it slide because I knew full well that she was just venting frustration over her job in general.

Even for employees who feel blessed with a good job and a good boss, working in an organization that stifles their creativity eventually leads to a sense of hopelessness and alienation, they can consciously or unconsciously divert into random acts of corporate sabotage. Stifle someone’s innate desire to do worthwhile work, and you stifle their creativity; stifle their creativity, and you stifle all the performance and results you need to succeed.

Of course, fear plays a leading role in the drama of employee disengagement. Dr. W. Edwards Deming, the man largely credited for Japan’s economic recovery following World War II and its eventual climb to manufacturing preeminence in the 1980s, cited fear as the predominant force in the vast majority of businesses. Henry Ford used fear of punishment and reprisal as a motivating force. Many leaders and managers still do. But fear has a way of creating dissatisfaction and rebellion, which can end up biting you in a very sensitive place: your bottom line.

While the world of organizational life in which we function today may seem bafflingly complex, in many ways the more complex it gets, the simpler it gets. Rather than trying to

micromanage all the countless variables you cannot control, you need only manage the one you can control: The people who work in your organization who can come up with the ideas that cumulatively will create and sustain your competitive advantage. One micro-ingenuity plus one more micro-ingenuity, plus hundreds more equals *mass ingenuity*. And mass ingenuity equals market dominance.

No modern organization, except Apple, comes close to Google's reputation for innovation. Type into Google the words "google+innovation" and you will find more than 20 million hits. Stories of Google's creative culture abound, from its free meals to no dress code to an intern who praised the company as "unconventional...one of the few places where you can be truly yourself." To emphasize its belief in freewheeling problem solving and creativity Google established its TechTalks program which brings world-renowned speakers to the Googleplex, ranging from a Nobel Laureate speaking on creativity to a monk delivering remarks on "The Role of Spiritual Practice in the Modern World."

It has become so synonymous with innovation that its products and services envelop us every day: Chrome, Earth, Gmail, Google Calendar, Google Contacts, Google Spreadsheets, Google Presentations, Google Drawings, Google Maps, Gadgets, KetchUp, Picasa, AdSense, AdMob, AdWords, YouTube, Panoramio, Picnik, iGoogle, Visigami, Talk, Gears, Buzz, Google News, OpenSocial, Knol, Listen, Click-to-Call, Talk, Google Latitude, Orkut, FeedBurner.

Fulfilling its powerful mission, making information universally accessible, has made Google a preferred supplier of computer services for hundreds of millions of people and, perhaps more importantly, a great place to work.

Google, from day one, enjoyed a huge advantage in the marketplace of ideas and innovation. It was born in the NOW and never suffered the drawbacks of the THEN.

The Speed of Need

Earlier in this chapter we invited you to use the NOW Speedometer to get a rough idea of management waste in your organization. Before you move on to the next chapter, pause for a moment to reflect on the degree to which your organization's management thinks in the THEN or in the NOW.

NOW Speedometer: *Management Thinking*

THEN	-			NOW
	1	0	+1	
Unconscious, Mass Production Management Model				Conscious Mass Customization Management Model
Confusion Inhibits Action				Clarity Enables & Inspires Action
Results Declining				Results Improving
Management Tries Latest Fad to Fix Things				Tools & Skills Strategically Enhanced
Workforce Engagement Declines				Workforce Engagement Grows
<i>Sub Totals</i>				
<i>Management Thinking</i> NET SCORE				

ADD THIS SCORE TO THE CONSOLIDATED SCORE ON PAGE 318