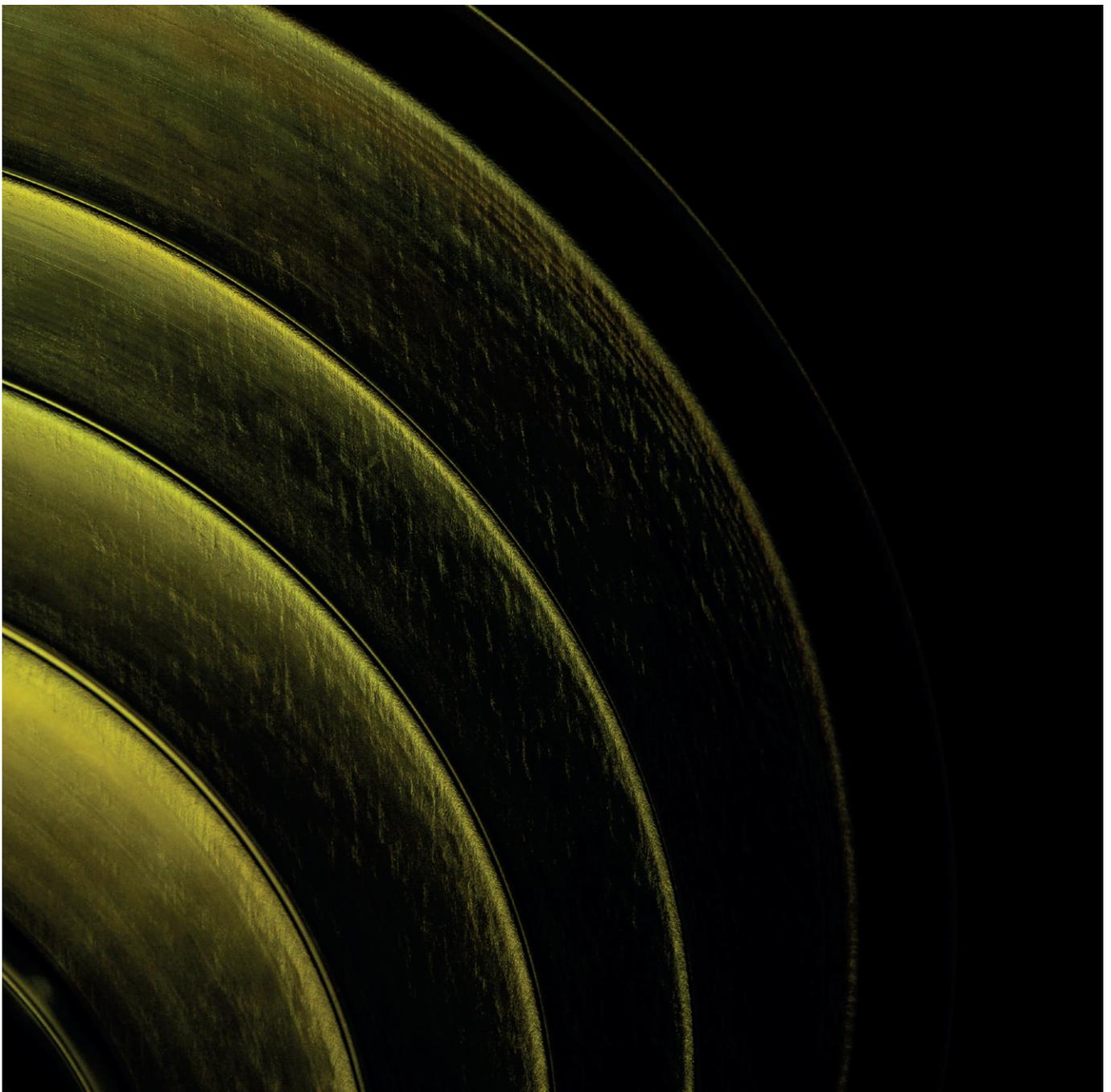


Tom Peters 1

Achieving Excellence



Achieving excellence

Tom Peters' and Robert Waterman's concept of imitating excellence is one you can try out yourself. Find an excellent role model, either an individual or a company, analyze what makes them successful, and relate their methods to you and your organization's needs.

IMITATING EXCELLENCE

You can learn some valuable lessons in the pursuit of excellence from observing other managers from a distance — so long as you bear the following four principles in mind:

THE FOUR PRINCIPLES OF EXCELLENCE

- 1 Excellent financial results cannot be equated with excellence: results may not last, and may not spring from superior management.
- 2 Your observations should relate to your needs and circumstances: avoid following courses of action that add no value to your business.
- 3 Shun lip-service. Methods or approaches that suit you and your business should be sought out, adopted, and adapted.
- 4 Any remedy is only good for as long as it works: do not become slavishly committed to a modus operandi for ever.

THE EIGHT ATTRIBUTES OF SUCCESS

In addition to observing the four principles listed above, use the eight attributes of success described by Peters and Waterman to provide a valuable checklist, and a spur to striving for excellence. These attributes translate into the following highly penetrating personal questions to ask yourself:

- What is the time-lag between your confronting an issue and reaching a decision, and between having made the decision and taking action?
- Do you use the fewest possible people for the highest possible output in the most effective possible set-up?
- Are you in regular, personal contact with customers, and do you use the contact constructively to increase their satisfaction?
- Do you manage people policies in order to achieve rising productivity and employee satisfaction?
- Do you delegate fully and effectively, allowing your staff the freedom to do their best?
- Do you have one strong guiding principle?
- Do you concentrate on what you are really good at?
- Do you keep tight control over the “housekeeping”, while allowing plenty of latitude in creative work?

You will probably find yourself unable to answer “Yes” to all eight questions. Go back and look at the questions to which you answered “No”, and work out what you need to do to take steps to change the negatives to positives.

FINANCIAL INDICATORS

It is significant that none of the eight attributes refers to financial results. This is because the attributes are concerned with your performance as a manager, and financial results are a product of your performance. All the same, in conjunction with the eight key attributes, there are five financial questions which will give you vital indicators of how you are performing:

THE FIVE FINANCIAL QUESTIONS

- 1 Are you creating wealth?
- 2 How highly do investors rate your company?
- 3 How efficiently are you investing capital?
- 4 How well are you using the shareholders’ money?
- 5 How effectively are you managing costs and revenues and thus the all-important gap between them?

Balance is everything: you can have excellent results on all five counts while managing poorly in key aspects, but you are not managing well if your answers to the five questions are negative. Remember, the product of excellence is excellent results — financial or non-financial.

1. Confronting Problems

Once you have identified any problems in your performance, or in the performance of your unit or organization, set about solving them. Do not be afraid to challenge the status quo.

REASONS FOR FAILURE

The lessons of failure are invaluable, but only if you learn from them — and act. The way to deal with failures is to ask why they have occurred.

What are the causes of unduly delayed decision and action?

Why are customers and customer relations being neglected?

Who and what are responsible for overstaffing and bureaucratic, clotted organization?

QUESTION THE CAUSES OF FAILURE

- Why are people less productive than they could be?
- What kills innovative ideas and entrepreneurial action?
- Who and what are responsible for lack of focus on core values and activities?
- What prolongs excessive and unnecessary controls?

IDENTIFYING ROOT CAUSES

Try to identify the root causes of failure. Your instinct will probably be to blame the management. You are part of the management.

Delve into the specifics. Some of your explanations could be:

- Too many committees/levels of management.
- Insistence on “the way we do things round here” and therefore resistance to change and reform.
- Rewards/bonuses and staff appraisals do not take customer satisfaction into account.
- Nobody acts on employees’ ideas for improving their work.
- A climate of fear penalizes failure and discourages initiative.
- Staff do not share in the shaping of the vision or the plans.
- Rule books and financial controls dominate and therefore hinder management processes.

OVERCOMING FAILURES

You may feel that all the root causes of failure are outside your control. Peters will have none of that — and he is plainly right. If you're not a "skunk", a rule-breaker, innovator, and individualist, why not? You can always learn how to become one.

BECOME A SKUNK

- Break rules if that is necessary to achieve what you want to achieve.
- Experiment all the time in order to find better ways of operating.
- Seek out and join forces with people of like, iconoclastic mind.
- If you see decisions or actions that you think are wrong, challenge them.
- Welcome change, and act as a change agent.

If you do not strive to become a skunk, then you are not really entitled to complain about your "stodgy bureaucratic organization". If you wait for the people at the top to act, the company (and your job) may be in crisis before anything happens.

UNLEASHING CREATIVITY

Accept some disorganization. Try to find assignments in what Peters calls "decentralized bands" in which you can apply freedom rather than control to win success. It is certain that innovators function best when set free (in a separate department, or "skunkworks") to follow anarchic non-rule rules.

- Cherish untidiness, uncertainty, and ambiguity.
- Experiment, experiment, experiment.
- Try it now.
- Appoint champions to head small teams.
- Have "lead customers" with whom you work on innovations hand-in-glove.

Be brave: you have been born in fortunate times. Today skunks are more likely to win — and less likely to be fired.

2. Leading From the Front

Peters stresses the importance of leadership, rather than mere management, in the pursuit of excellence. There are four functions in the practice of management that differentiate between leaders and administrators. Strive to fulfil the role of leader.

THE FOUR DIFFERENTIATING FUNCTIONS

- 1 Controlling others
- 2 Organizing work
- 3 Facilitating success
- 4 Building the business

LEADER OR ADMINISTRATOR?

If you spend most of your time on functions 5 and 4, you are a leader. If 1 and 2 dominate, you are more of an administrator. "Admin" matters a great deal, but leadership is what makes the vital difference to corporate achievement and personal careers.

BALANCING NEEDS

One of the leader's key roles is to decide when to sacrifice one good need in part for the sake of another. For example, you have to balance the "hard" need to press people to achieve the best results with the "soft" need to encourage self-motivation and individual initiative. Learn to apply pressure in a way that achieves a successful balance.

LEADING BY EXAMPLE

The impact of an enthusiastic, deeply interested, friendly leader is bound to have a positive effect on others.

- Always show your pride in the company and in your people.
- Be enthusiastic about what you or others are thinking/doing.
- Delegate authority to people and encourage them face-to-face.
- Visit colleagues and customers in their own "space".
- Make impromptu visits, not to check up on people, but to inform yourself about their work and share their enthusiasm.
- When you are in your office, operate an "open-door" policy.
- Hold frequent meetings with everybody present and involved.

Leadership is not a solo activity. Your success as a leader depends on your team's success, and your respect for each other must be mutual.

3. Aiming for Perfection

Tom Peters and Nancy Austin admitted proudly to simplifying the business of succeeding in business. Their basic principles number only three and need only six words. Live up to those principles although you will find it is by no means simple.

THE THREE PRINCIPLES OF SUCCESSFUL BUSINESS

- 1 Superior quality
- 2 Superior service
- 3 Constant innovation

CUSTOMER CARE

The aim of excellence is to combine quality, service, and innovation so as to add exceptional value in the eyes of the customer. You are aiming for perfection, though in the knowledge that in "customer care" perfection can rarely be achieved. Use the following eight rules of customer care as a guide to working towards perfection:

- Continually assess levels of service quality by both quantitative and qualitative methods.
- Aim for continuous improvement in the quality of the product and the service.
- Pay close attention to detail, and make sure others do likewise.
- Manage by wandering around your business.
- Manage by wandering around your customers.
- Be incredibly polite and helpful to your customers, and ensure that everybody else in your team is, too.
- Listen to what your customers tell you, and act on it.
- Understand that perception is reality: what the customer thinks is right, even if you think it is wrong.

PLACING VALUE BEFORE PRICE

The last two rules also apply to innovation - customers are excellent sources of product ideas, and their perceptions will determine whether the innovation succeeds or fails. Peters strongly advises companies to pursue differentiated products and services with higher added value, because value is more important than cost or price. Studies confirm that Peters is right. Customers will happily spend more for higher value. That is the pay-off for true excellence.