TRUTHS FROM

YEARS IN BUSINESS

Life lessons for leaders

MOST BUSINESSES ARE SMALL BUSINESSES.

Travel anywhere in the world and you'll find a city's commerce powered by small businesses: bakeries, grocers, wine and spirit shops, clothing stores, dry cleaners, tax and accounting consultancies, real estate agencies, advertising firms, bed and breakfast inns, cafes and restaurants and plenty of skilled workers—from auto mechanics to carpenters, plumbers and electricians, from stone masons, bricklayers and landscapers to IT experts and every other kind of business in between.

In the United States, more than ninety-five percent of all businesses operate with five hundred or fewer employees and so those companies are categorized as small businesses. Collectively, this is a workforce of nearly sixty-million people (at last count comprising about half the American workforce). Companies with more than five hundred employees provide work for about forty percent of the American workforce, with Fortune 500 companies employing about thirty-one million people. Another twenty-five million people are employed by federal, state and local governments.

Worldwide statistics are more difficult to confirm, but the figures appear to play out similarly.

Wherever you look, you'll find that some small businesses have been operating continuously in the same family for generations. Others were started by people who believed they could provide a better product or service than established companies.

Though I worked at two big companies with each firm employing hundreds of people nationally and internationally, I developed my entrepreneurial spirit at these large firms, leading a division of Tracy-Locke and later an office of Edelman Worldwide. Both companies were great places to work because the leaders of these firms prized outcomes over bureaucracy. Employees

were talented, aligned and motivated. We weren't afraid of having tough conversations. We produced terrific results. We had fun. We made money.

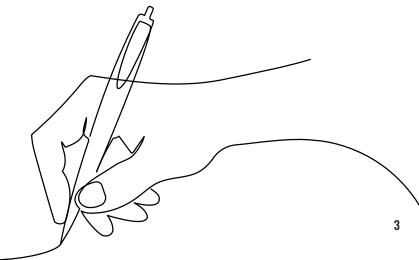
Because of these positive experiences, I'd given zero thought to owning my own business.

Then one day my phone rang with an offer to start my own firm. Thirty years ago Bustin & Co. opened its doors.

My firm once numbered half a hundred consultants. Today, I fly solo supporting men and women executives whose operations range from a couple of dozen people to businesses employing hundreds. These men and women lead companies in different industries yet share a commitment to becoming better leaders and to earning the opportunity to take some chips off the table for their hard work. Along the way, they usually discover things about themselves that make them better people.

To commemorate my thirty years of entrepreneurship I collected thirty truths.

These are lessons I learned the hard way, and advice I wished I'd gotten sooner—or appreciated more fully than I did at the time.



1. KNOW WHAT YOU STAND FOR.

Our values describe our noblest traits that inform our decisions and propel us toward our goals. They're our non-negotiable principles, and we make decisions guided by these values. Over time, our decisions define our reputation. These three values guide me:

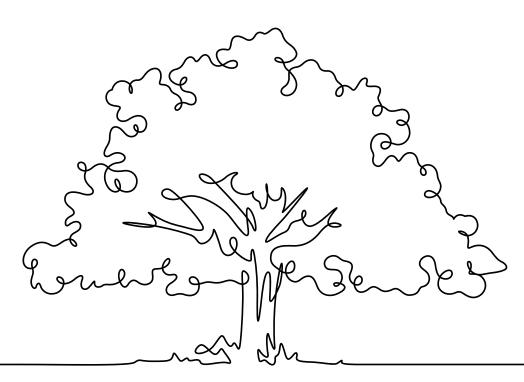
Authenticity: What you see is what you get, including asking difficult questions others may be thinking but not asking.

Advocacy: Support good people in being their best.

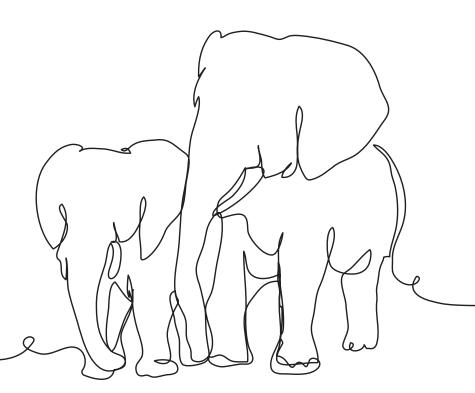
All in: Total commitment to achieving the results that matter most.

"It takes twenty years to build a reputation," said Warren Buffett, "and five minutes to ruin it." When our values have the potential to cost us something—money, relationships, power, reputation and sometimes lives—our character is tested. If we're not sure what we stand for, we flunk the test every time.

What principles matter most to me?



How would my best employee, best friend or loved one describe me?



2. KNOW YOUR STRENGTHS.

Trying to improve a skill you either don't like or aren't good at is wasted effort. As a rule, people like doing the things they're good at doing. So rather than investing time becoming good at something you're average at, invest your time becoming great at the things you're good at.

Elephants are the world's largest land animals and are prized for their strength, loyalty and intelligence. They have an outsized favorable impact on ecosystems. But the mighty elephant is the only mammal that cannot jump and no amount of training will overcome this reality. Why would you want an elephant to jump?

To achieve the goals you've set, surround yourself with people who can compensate for your weaknesses then play to your strengths and play to win.

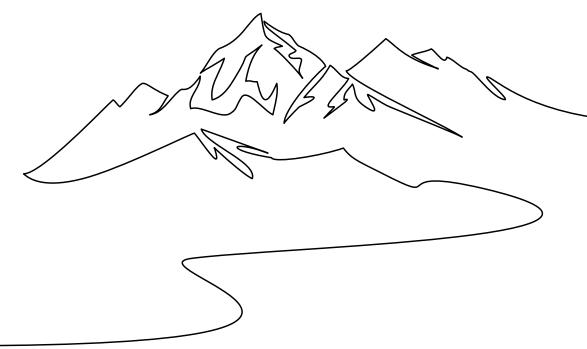
3. KNOW WHAT YOU WANT.

What's harder than getting what you want? Knowing what you want.

When you're clear about your values (what you're willing to do), your strengths (what you can do) and your goals (what you want to do), you will have found your sweet spot. "Ever more people today have the means to live," writes Viktor Frankl, in *Man's Search for Meaning*, "but no meaning to live for."

My career was built on strengths that led to me starting my own firm. At the time, launching my firm was a mountaintop achievement. But four years after opening the doors I told my father I wasn't happy. He listened then offered advice that shaped my leadership journey over three decades. He said that what worked for him was doing what he loved with people he cared about at a place he cared about. "What about the money?" I asked. "If you take care of those first three things," he told me, "the money will come. Besides, how much is enough if you're not happy?"

What goal am I most excited about? What is it about this goal that actually excites me?

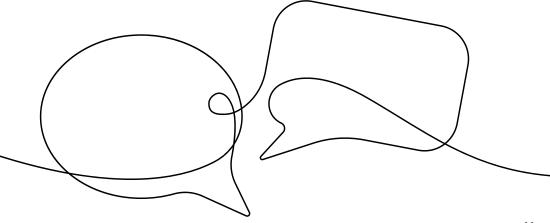


Am I a coach or a critic? What's it like to be coached by me? What must I do to become a better coach?

4. EVERYONE NEEDS A COACH. EVERYONE.

Not until I'd been the top leader for some time did I realize part of my job was to coach my colleagues. I figured I'd hired smart, capable people and then I'd given them room to perform. If they didn't, it was on them, not me. That perspective is wrong-headed and short-sighted.

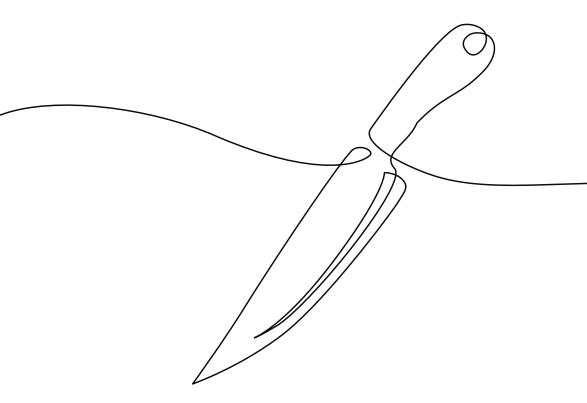
If you're a leader, you're a coach. Be mindful of your coaching style. Be honest but be an advocate for their success. German philosopher Johann Wolfgang von Goethe believed, "The way you see people is the way you treat them, and the way you treat them is what they become." Guess what? Leaders at the top of the food chain and at the top of their game need coaches, too. How else do you expect to stay at the top?

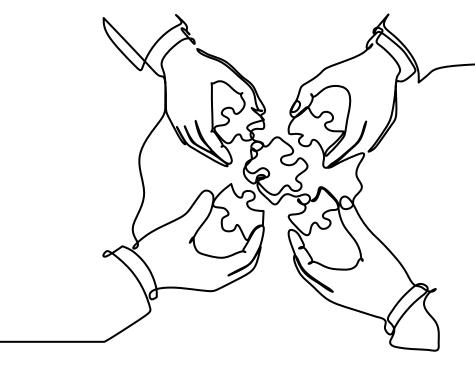


5. IRON SHARPENS IRON.

It's one thing to have a coach, and it's another thing to have a group of peers who will serve as your personal board of directors. In my monthly Vistage meetings, the people around the table are focused on improvement—for themselves and for others. These leaders are open to giving and receiving advice that often includes hard truths. Leaders appreciate the fact that the people who offer a different and even uncomfortable perspective do so with the aim of helping the person on the receiving end succeed. "If you want to go fast," says the African proverb, "go alone. If you want to go far, go together." You're the sum of the ten people you spend the most time with so choose wisely.

Who are the people I count on to tell me what I need to hear?





Are people trying to join our organization or leave it?

6. TALENT IS THE BEST PREDICTOR OF FUTURE PERFORMANCE.

The people on your team—in life, in business, in sports—are important because none of us ever accomplishes anything meaningful alone. "The executives who ignited the transformations from good to great did not first figure out where to drive the bus and then get people to take it there," writes Jim Collins in *Good to Great.* "No, they first got the right people on the bus (and the wrong people off the bus) and then figured out where to drive it." Hire for technical skills, emotional intelligence and grit.

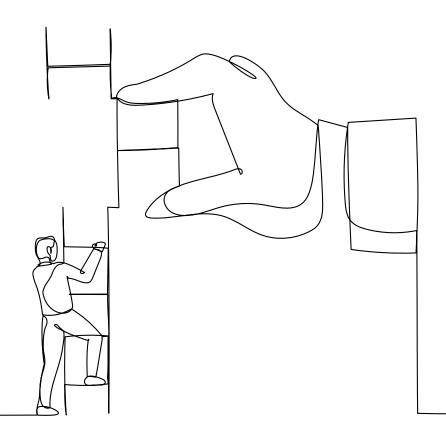
Hire people who fit your culture. Hire people you can count on no matter what. "We know that if we treat our people right," said Bill Marriott, "they'll treat the customers right. And if customers are treated right, they'll come back." Treat people the way you want to be treated.

7. WITHOUT TRUST YOUR BUSINESS IS A SHELL.

High-performing teams are built on trust and unified by shared values, clarity of purpose, alignment on the path to reach the goal, and the belief that each person can be counted on to do what they say they'll do. "Trust is the glue of life," said Stephen Covey. "It's the foundational principle that holds all relationships."

High-performing teams build trust and achieve unity by talking through concerns, questions and doubts. Tough questions can be asked when you know the people on your team respect one another and have each other's best interests and the best interests of the organization at heart. You can't get better if you don't talk about what needs fixing. And you can't climb toward success when the ladder you need for the journey has weak and missing rungs.

On a scale of 1 to 10 (with 10 being highest), how would I rate the level of trust in our organization?



What's my asking to telling ratio?



8. BE CURIOUS

Whether it's an appetite for learning, a spirit of inquisitiveness or simply the desire to improve, great leaders nurture curiosity in themselves, their colleagues and the organizations they lead. Invest in training, development and mentoring to ensure your organization is continually learning. "Ideas," said Walt Disney, "come from curiosity," and he believed leaders should never stop questioning.

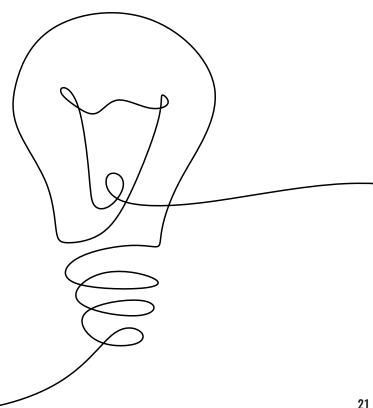
Leaders ask Why? and Why not? in pursuit of making things faster, easier or better. They wonder What drives her? and What makes him tick? as they coach and develop those around them. Asking questions deepens conversations, clarifies intentions, ignites possibilities and accelerates learning. Good leaders are problem-solvers. Great leaders ask great questions. Asking questions is a skill that can be learned and then developed. And like any skill, the discoveries are worth little unless they are acted upon.

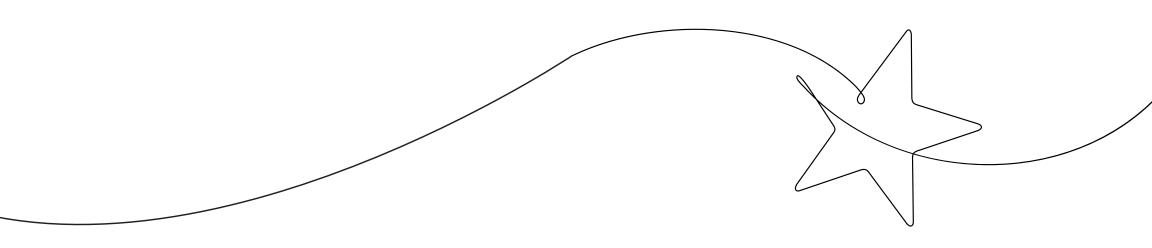
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9. A GOOD IDEA CAN COME FROM ANYONE, ANYWHERE, AT ANY TIME.

Innovation should not be assigned to a single person or confined to a department. Anyone can imagine solutions to address unmet needs inside and outside the company. How much time do you reserve for yourself to think? William McKnight of 3M encouraged his colleagues to "Listen to anybody with an idea" and created the "15 percent rule" allowing employees to devote time to independent projects. His curiosity sparked innovation that ignited thousands of patents and drove sales under his leadership from \$264,000 to \$1.2 billion. Clues for new products and services are everywhere and imaginative leaders connect the dots. FedEx copied the Pony Express. McDonald's copied manufacturing assembly lines. Apple copied hospital emergency rooms with specialists handling the most common problems. "If you put fences around people," said McKnight, "you get sheep."

What are we doing to get the best ideas from the most people?





What do we do (or what can we do) better than anyone else? What empirical proof supports this claim? How can we capitalize on this advantage?

10. WHY US?

Value is determined outside your company. When your products and services look and perform like those of your competitors, you'll be forced to compete on price. It works for Wal-Mart but you're not Wal-Mart.

In a crowded marketplace, companies must differentiate themselves from competitors. "It's not enough to invent or discover something. It may not even be necessary," writes Al Ries and Jack Trout in *Positioning: The Battle for Your Mind.* You must, however, be first to get into the prospect's mind." Staking your claim in people's hearts and minds means owning one or two words that matter to them. For Google, it's "search." For Ritz-Carlton, it's "luxury." For BMW, it's "performance."

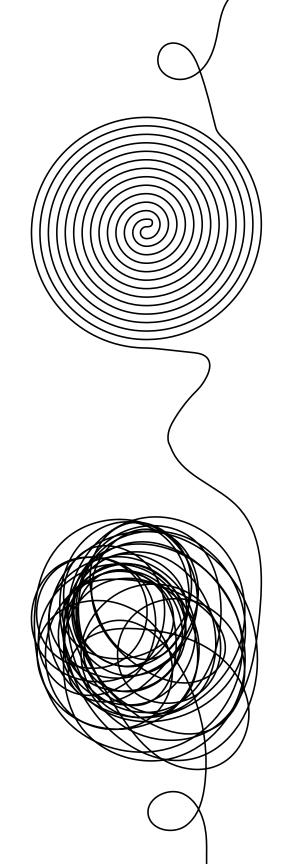
Be clear about what your customers and prospective customers value and then be clear about why you're their best choice for giving them want they want.

11. CLARITY CREATES CONFIDENCE.

Bringing out the best in yourself and others requires clarity. Clear, consistent communication starts at the top. "Communication," Container Store founder Kip Tindell once told me, "is leadership."

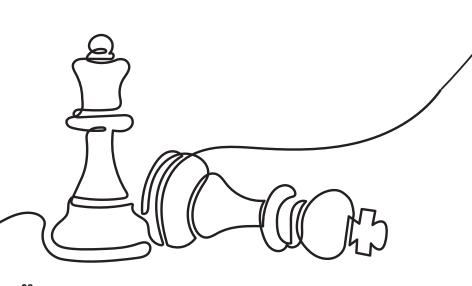
Setting clear expectations at every level in the organization is one of the most effective steps leaders take to drive performance. Conversely, confusion causes chaos. Fuzzy expectations mean work is either ignored, duplicated or performed poorly. Accountability suffers when somewhere somehow in some way something isn't clear to someone.

If you're not clear about everything—mission, vision, values, objectives, strategy, roles, rewards, and, yes, penalties—the likelihood of achieving your vision is slim.



Where is clarity lacking in my relationships? How will I get the clarity I need? How can I be clearer with others?

On a scale of 1 to 10 (with 10 being highest), how would I rate my organization's strategy and our ability to execute it on a consistent basis?



12. STRATEGY IS HOW YOU COMPETE. EXECUTION IS HOW YOU WIN. YOU NEED BOTH.

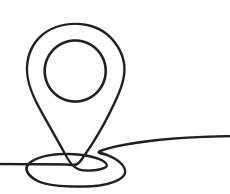
Derived from the Greek word meaning "generalship," the word "strategy" is based on the idea of a competitive advantage and describes how you win. But describing how you'll win is not the same thing as winning. And there's the challenge. On one hand, a strategically sound plan that maps specific initiatives and improvements will deliver little new value to an organization without consistently high levels of execution or where there's lukewarm follow-through on commitments. If things continue to be done the way they've always been done your strategy will be an unfulfilled idea. On the other hand, consistent execution of a flawed strategy can actually accelerate an organization's demise. The good news is that most plans fail not because there aren't enough good ideas. Most plans fail because there are too many ideas that are never fully executed.

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13. DEVELOP A ROADMAP.

Once you know what you want, develop a roadmap that can lead you and your team to your objectives. You wouldn't take a trip without knowing your destination. And you wouldn't start your journey without a plan to get you there. Why would you run your business without a plan? "I have always found that plans are useless," said Dwight Eisenhower, "but planning is indispensable." While the plan will change, the planning process provides an opportunity to examine lots of ideas, pick the best ones, establish priorities and then achieve alignment on how best to execute the plan that's developed. Cast a vision that's big enough to include everyone and bold enough to excite everyone. What's your inspiring vision for your organization? You can include financial targets, but your vision must give your colleagues something to cheer for.

On a scale of 1 to 10 (with 10 being highest), how aligned is the leadership team around our vision and our plan to achieve it?

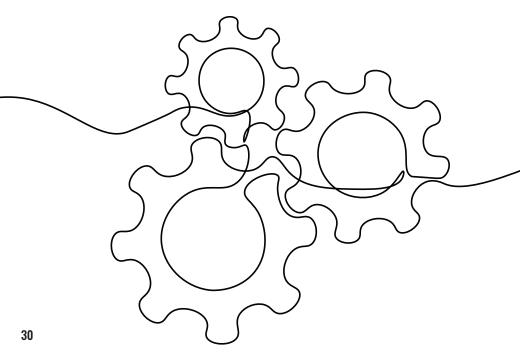




What wheels do we continually reinvent? What systems and processes do we need to create, follow or install to save us time, money and energy?

14. INSTALL APPROPRIATE SYSTEMS. A company with inadequate systems and poorly developed procedures is a time bomb waiting to explode as it grows. And a lack of systems will hinder your people and eventually

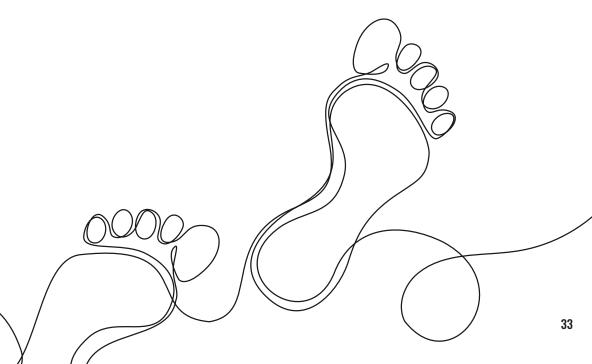
A company with inadequate systems and poorly developed procedures is a time bomb waiting to explode as it grows. And a lack of systems will hinder your people and eventually drive the best ones away. W. Edwards Deming is considered the Father of Quality and he believed, "A bad system will beat a good person every time." Proper systems take the guesswork out of getting things done; they improve accuracy; they speed implementation. They pay for themselves by creating efficiencies, reducing drama and delivering profits.



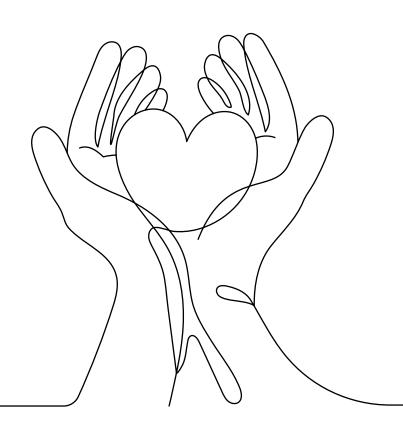
15. TRACK PERFORMANCE.

Tracking is your mechanism for communicating clearly and unambiguously the performance occurring at the enterprise, business unit, departmental and individual levels. Tracking performance drives accountability. "Facts do not cease to exist because they are ignored," said Aldous Huxley. So decide what performance indicators to track and what increments to use. Be sure your tracking is timely, accurate, consistent and visible. Emphasize that tracking is a tool to help people make better decisions and not a stick to use against them. Ensure that what's being tracked is shared widely and connects with your employees intellectually, operationally, emotionally and financially. If it's worth doing, it's worth measuring. Tracking is what your best employees want.

If I took a one-month sabbatical, what daily activities or weekly key performance indicators (KPIs) would I consider vital to run my business?



What promises do we make as an organization that we have difficulty keeping?



16. BE ACCOUNTABLE.

As a young leader, much of what I thought I knew about accountability turned out to be wrong. Accountability is less about carrots and sticks and more about relationships forged on purpose and trust. That's why holding people accountable has about as much appeal as holding people hostage.

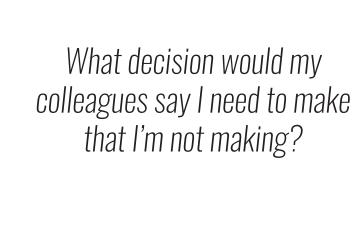
Practiced effectively, accountability isn't a single conversation; it's a way of thinking and acting all the time, ultimately surpassing any financial, intellectual, structural or technological ability. Accountability isn't based on circumstance but rather on an attitude of accomplishing a task or achieving an objective *despite* circumstance. Accountability is critical to anyone leading a group of people because every business is a people business and accountability is how people get things done—or don't get things done.

Accountability isn't an opportunity to scold someone; it's an opportunity to coach them. Accountability is not something you do *to* people, it's something you do *for* them.

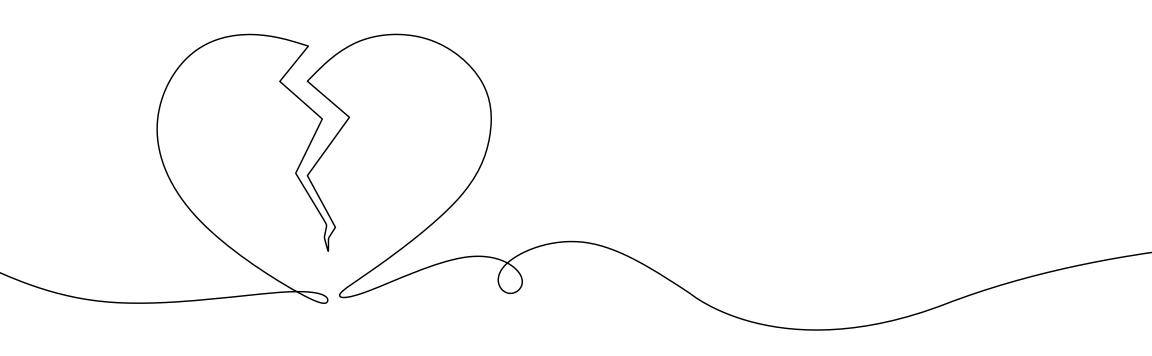
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17. MAKE TOUGH DECISIONS.

The toughest decisions bubble up to the top of the organization and many tough decisions involve bad news. Bad news doesn't improve with age so when a problem arises, address it immediately. Not deciding is a decision to do nothing, which can be damaging. Using your values as a filter makes decision-making clear. You may not like the decision, but the right decision will be evident. Asking, "What decision would my competitor make?" can reveal opportunities that have been wrapped in problems. "Most companies don't die because they are wrong," said Intel's Andy Grove. "They die because they don't commit themselves." Make the tough decisions to set things right. Then follow through.



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Where's one area of my life where I'm willing to admit I don't have things figured out and will ask for help?

18. BE VULNERABLE.

At Tracy-Locke in the 1980s, I worked with the person who created the "Never let 'em see you sweat" deodorant commercial for Gilette, which espoused the belief that leaders shouldn't show fear.

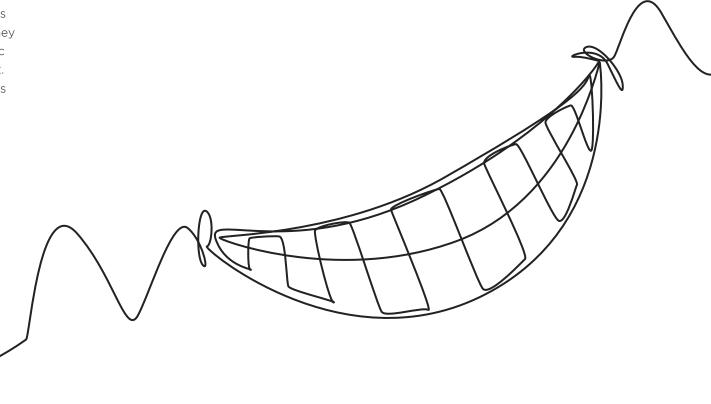
Times change and that notion has been upended. Today, strong leaders navigate uncertainty by sharing (not hiding) their weaknesses, their fears and their failures, modeling behavior expected of others. Vulnerability is a strength and humility is, too, because these traits are the offspring of truth and courage. Authenticity is being confident in yourself and inviting people to see the real you and accepting you as you are. Be yourself. Be consistent.

19. HAVE FUN.

Humor in the workplace is vital and it's never been more important when margins for errors are slim, when we all rush from one deadline to the next and when relationships are strained. Humor brings people together, stimulates creative thinking and builds trust because humor reveals a person's character. Laughter, said comedian Bob Newhart, "allows us to step back from an event, deal with it and then move on."

When things are bad, great leaders acknowledge the truth while putting others at ease. Humor helps. "Last year we said, 'Things can't go on like this'," cracked Will Rogers, "and they didn't. They got worse." As a leader, you don't have to be a stand-up comic to be humorous or even witty. Just be authentic. Be observant. Connect the dots, then bring your unique perspective to others with a smile.

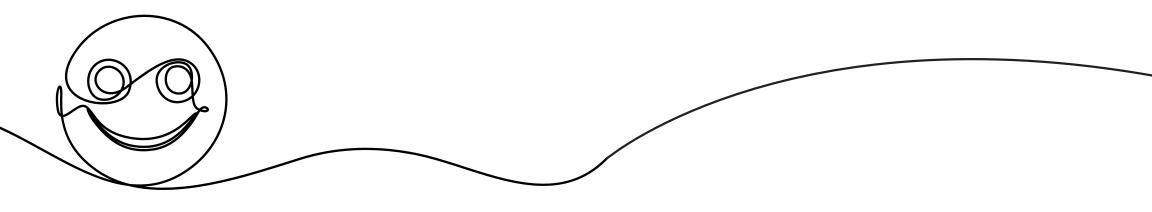
What was the last funny thing I did at work that showed my colleagues my sense of humor?



What are our customers' unmet needs?

20. TAKE CARE OF YOUR CUSTOMERS.

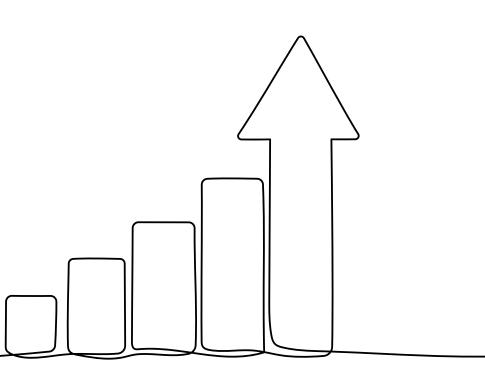
In the relentless pursuit of new business, it's easy to assume your current customers will continue to buy from you. That type of thinking will cost you. Don't take customers for granted. Your competitors are hungry and will gladly serve the customer you under-serve. Make time for your customers. Talk to them. Ask them questions. Then listen. "If you listen closely enough," said Peter Schutz, the only American to ever serve as the CEO of Porsche, "your customers will explain your business to you."



21. DRIVE SALES.

Nothing happens until someone sells something. Focus your team's resources on the customers who want what you're selling. Fish where the fish are. Then ensure everyone in the organization is involved in helping drive sales—from the initial transaction that occurs to the repeat business you earn from quality experiences, timely deliveries, budget adherence, exemplary customer service and mistake-free accounting. "Everyone," said Robert Louis Stevenson, "lives by selling something." Everyone is a salesperson.

Would I buy what we're selling from another company?





Do our employees know how we make money and what happens to the money we make?

22. MANAGE **GROWTH**.

Understand precisely what appeals to you about growth. "It is not enough to be industrious," writes Henry David Thoreau. "So are the ants."

Clearly define what "growth" means to you (hint: it can be things other than money). Understand the rate of growth that's right for your organization. Growth isn't always about acceleration. Sometimes, it's about slowing down: addition by subtraction. Remember, revenue feeds vanity but profit maintains sanity. Growth requires cash and there's a reason cash is king so understand the difference between cash, profit and revenue. You can be extremely profitable on paper and still find yourself strapped for cash—as I learned once (which was enough) when it came time to make payroll. Understand what growth means to you then manage it carefully.

22. HAVE A GREAT BANKER AND LINE OF CREDIT.

Understand how much debt you can handle, how much debt your company can handle and how much debt your banker can handle.

Though wrongly attributed to Mark Twain, this quote nevertheless expresses the idea that bankers who will lend you money when you need it most are both essential and rare: "A banker is a fellow who lends you his umbrella when the sun is shining, but wants it back the minute it begins to rain." Ensure that you and your banker are aligned philosophically and that your banker's capabilities align with the needs of your organization. Leverage is a two-edged sword, so be mindful of how you use it.

Do I know how my banker keeps score and what matters most to my bank?

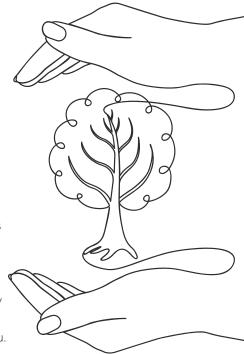


Where in our business operations are we at greatest risk?

24. PROTECT WHAT'S YOURS.

Every business has risks. It's the leader's responsibility to minimize threats, safeguard property and prepare appropriate responses to failure.

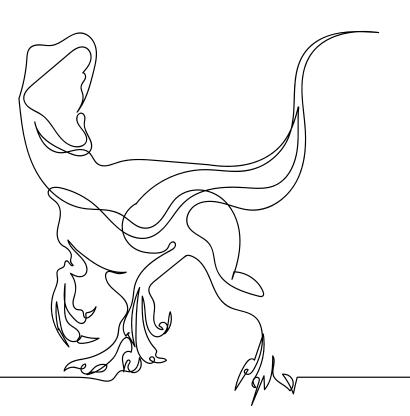
Protect your business from unforeseen emergencies, economic downturns, property damage and liability claims. "People protect what they love," said Jacques Yves Cousteau. Intellectual property has never been more valuable and it's never been easier to steal. Retain a lawyer to safeguard trade secrets, protect proprietary processes, structure employment forms and review transaction agreements. Retain a cybersecurity professional to audit your systems and safeguard the technology that stores your data and powers your business.



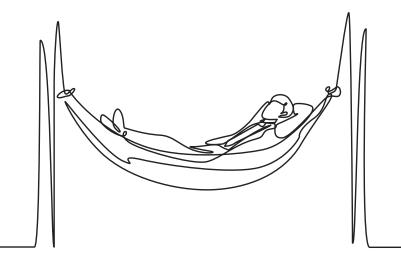
25. ADJUST, ADAPT, EVOLVE.

Tastes change. Habits evolve. New expectations develop. You and your organization must adapt. Don't become a dinosaur. Kodak failed to switch to the digital cameras they patented. Blockbuster couldn't foresee a future without stores. Banks and doctors refused to leverage technology—until COVID forced their hands. I've had three careers, and my third and most successful career began when my second career bottomed out. "It is not the strongest of the species that survives, nor the most intelligent," writes Charles Darwin, "it is the one that is most adaptable to change." If you don't enjoy a fifty percent or better share of the market, stop making excuses and get to work.

What longstanding policies, practices, products, programs and assumptions should we be testing?



What must I do to enable my team to run the office for at least two weeks without me?



26. MAKE TIME FOR R&R.

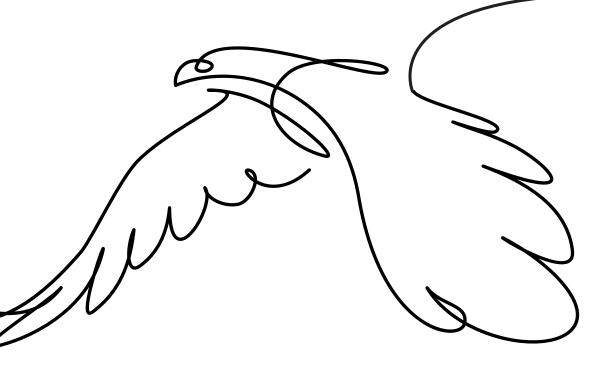
Leading requires enormous energy. Yet figuring out how to allocate more time for yourself can be one of your big challenges.

Take care of yourself. Reserve time on your calendar to replenish your physical and mental energy. A rested body provides stamina for the race. A relaxed mindset is more creative and more receptive to new ideas. Exploring new parts of the world—whether it's across town or across the world—will access different parts of your heart and mind and allow you to be fresh for imaginative problem-solving and creative thinking. Do you know how much time you need to recharge? Do you know how often you need to be recharged? The greater the responsibility, the greater the need to make time to relax, reflect and recharge.

27. TRUST YOUR INSTINCTS.

In a world full of data and with artificial intelligence a click away, the idea of trusting your gut may seem preposterous. Yet it's reasonable to acknowledge a sixth sense when it comes to our safety, making a key hire, walking away from a business deal or even choosing not to marry someone. Get-rich-schemes are few and far between, and most fail. If it seems too good to be true, it probably is. So pay attention to your instincts. "I believe in intuitions and inspirations," said Einstein, who would trust them and then test them. Steve Jobs believed in the "courage to follow your heart and intuition," George Martin signed the Beatles on instinct following their mediocre audition, and Dr. Joyce Brothers believed hunches could be trusted because, "they're usually based on facts filed away just below the conscious level." Data is necessary, but trust your instincts.

There's a time for analysis and a time for intuition. How do you know when to trust one over the other?



Am I working on the things that I and only I can do?

28. DO YOUR JOB.

There are lots of ways for leaders to get stuck and stop growing. One way is when they hold on to tasks that others can handle. This can occur because a leader finds comfort and satisfaction doing that type of work. Other times it's because there's an outsized need for control. Or it's because they've got the wrong person in the role and so they don't trust others to do the work. These behaviors limit the leader and their team. If you're doing someone else's job, who's doing yours?

"Time is the scarcest resource," said Peter Drucker, "and unless it is managed, nothing else can be managed." To maximize your impact, delegate what you can and focus your energy on where you add the greatest value to the organization. You were meant to soar.

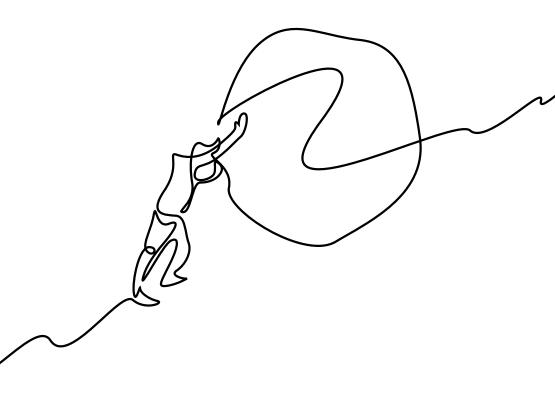
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29. NEVER GIVE UP.

When I was a young leader, the organization's CEO gave his direct reports (of which I was one) a framed quotation by Calvin Coolidge. "Press on." The quote hangs in my office. "Nothing in this world can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent."

When you face adversity, recognize there's always a way forward. You can choose: You can ignore adversity, belittle it, or complain about the hand you've been dealt. Or you can choose to step up and play the hand to the best of your ability. Think through options, select the best one and act to pursue a new goal. Achieve short-term victories. Stay committed to the larger goal. You can do it.

What has adversity taught me?



30. MAKE TODAY COUNT.

What do I want my legacy to be?

Every day is a chance to make history. Yours, for sure, and perhaps history for those around you. You have the freedom and the power to choose. What's your intention for today? What's your next act in life that you can plan for today? "Tell me," writes poet Mary Oliver, "what is it you plan to do with your one wild and precious life?" Remember the central theme in *Dead Poet's Society? Carpe diem*. Seize the day.

Motivation is your job and no one else's. Only you can motivate yourself. "Success," said legendary coach John Wooden, "is peace of mind which is a direct result of self-satisfaction in knowing you did your best to become the best you are capable of becoming." So accomplish at least one new thing every day that will make life better for you and those around you.



In 1940, Albert E. N. Gray was an executive with Prudential Insurance and he delivered an address at the Nastional Asociation of Life Underwriters

Entitled "The Common Denominator of Success," the message has remained in print ever since Gray delivered it, inspiring people to millions to do "the things they don't like to do...[to] accomplish the things they want to accomplish."

Here's an excerpt of Gray's address:

Several years ago, I was brought face to face with the very disturbing realization that I was trying to direct the efforts of a large number of men who were trying to achieve success, without knowing myself what the secret of success really was.

And so I set out on a voyage of discovery. In short, I was searching for the common denominator of success. And because that is exactly what I was looking for, that is exactly what I found.

The common denominator of success – the secret of every person who has ever been successful – lies in the fact that he or she formed the habit of doing things that failures don't like to do. It's just as true as it sounds and it's just as simple as it seems.

I WISH I KNEW THIRTY YEARS AGO WHAT I KNOW NOW.

These are powerful life lessons, and I'm hopeful you'll find them helpful to you on your journey as a business leader.