

PART 1

PROFICIENCIES

INTRODUCTION

Everything we create, no matter the genre or application, will contain two basic elements: inputs and outputs. In the simplest of terms, you take some amount of raw material (the input) and then you apply some process or processes to that material in order to create something different from what you started with (the output).

Strategy is no different. There will be inputs to your strategy, and there will be outputs. The inputs will generally be where you are now and where you've been before; the outputs will generally be where you're going and how you want to get there. Classic strategic theory has challenged us with these very questions:

- Where are we now?
- Where have we been?
- Where do we want to go?
- How are we going to get there?

Four simple questions to answer, the culmination of which will form your strategic plan. That sounds simple enough. So what's the catch?

The first catch is that, although developing a strategic plan is a process, you will need to be able to think creatively in order to get an output from this process that is truly unique. I'll tackle this subject in depth in Part 2 of this book as I step through the process of creative strategy generation.

Before I address this first catch, however, I need to address the second, which is that you're going to have to take a bit of time to build your strategic skills before you just jump into the business of developing a strategic plan. Few people can simply walk up to a piano and start writing a song. Before you jump right in, you need to take a little time to study music theory, find out how the instrument works, and learn to develop your "ear" for how certain feelings can be expressed through sound and music. The same can be said for developing a strategy, although it seems that far fewer people actually take the time to build their critical strategic skills before attempting, right out of the gate, to put together a strategic plan.

You might be thinking that the skills I'm talking about stem from classic strategic theory: the kind that people are often taught about in business school. In my view, that's only one part of the puzzle.

The academic part of strategy is all about looking at the past: seeing what other companies have done and trying to capture the successes into a framework that can be reapplied by others. This is useful and necessary, but only one of what I believe are four broad sets of skills that you need to have. Because these are broader areas within which several more specific skills will be required, I am going to refer to these four groupings as "proficiencies," which implies not only that you possess certain skills within each grouping but also that you master them to some degree.

To capture these four proficiencies, I tend to think of everything in terms of relative time. Back to our four questions, we are really asking about the past, the present, the future, and how those three dimensions will all come together to determine the ultimate path. It's really that simple, and it's a formula that has been used successfully time and time again. In fact, many of us watch this formula play out multiple times every year when we view the thousandth or so replay of Charles Dickens's classic story *A Christmas Carol*. Every December we sit glued to our television sets to watch remake after remake and spin-off after spin-off of this classic tale in which the main character visits his past, present, and future and uses that information

to affect some strategic change. The formula works, and we relate to it because, by and large, this is the way we all live out our own lives.

So that covers three of the proficiencies: the ability to understand the past, the present, and the future. So what is the fourth?

The fourth ingredient might just be the most important one of all. The past, present, and future are just about information: where we are now, where we have been, and where we want to go. These are just data points. And although you will need certain skills to collect and understand these data points, our fourth proficiency gives us the wherewithal to do something with all of this information and process it into an actionable plan: How are we going to get there?

Ebenezer Scrooge could have awoken from his final visitation and decided not to do anything with the information that he had gathered. But that's not what happened. Instead, he was driven to put all of those pieces together, process them, and then take action upon them. That's the final proficiency I want to try and capture.

Many things can motivate this fourth proficiency. In the case of Ebenezer Scrooge, he was motivated by fear, which, by the way, has also driven many a great strategy throughout the years. Sometimes the motivation is greed, other times it's compassion, and still other times the call to action might be motivated by the desire to build or create something or to leave a legacy of some type. Whatever the driving force, the fourth set of skills has to do with having both the desire and the drive to do something about whatever you have learned. And the action you take will ultimately become your chosen path.

So those are areas around which we must develop our proficiencies:

- Past
- Present
- Future
- Path

The problem is, these are conditions, not proficiencies. So what are the proficiencies that correspond with each of these areas?

Here's the way I see it: What do you do when you reflect on the past? In general, you are recalling a situation, and using your memory of what happened to ignite some emotion that will ultimately bring you to action. The proficiency required for this is *Recollection*.

Looking at the present, we can immediately think in terms of classic strategic theory where we are taught to observe and understand key elements of our surroundings such as our environment, our enemies, and our own comparative strengths and weaknesses. What we are doing is scanning and analyzing our current situation. That proficiency is *Analysis*.

For the future component, we are looking toward what will likely occur but which cannot be currently proven. Our ability to see the future more accurately than anyone else is one of the most important ingredients to a winning strategy. The proficiency that will get us there is the ability to use our “gut instinct” more effectively than anyone else. That proficiency is *Intuition*.

The last proficiency is perhaps the most difficult to capture and also the most difficult to teach. But it is also the proficiency that is perhaps the most critical to bringing a strategy to life. This last proficiency is that unseen force that drives people not only to act but also to *act differently*—from their past, from their present, from their otherwise predestined future. The differentiation is the key. And that doesn’t just require action; it requires creativity. The proficiency that best enables this drive to both create and to perform is *Artistry*. And from this proficiency will arise a person’s strategic path.

So now we have our four broad proficiencies:

Present = Analysis

Past = **R**ecollection

Future = **I**ntuition

Path = **A**rtistry

In keeping with my musical analogy, these four proficiencies come together, as luck would have it, to form the mnemonic ARIA. And the order, although a bit different than *A Christmas Carol*, has significance as well, because for most strategies you start with where you are, then visit where you’ve been, then think about where you’re going, and finally process it all creatively to determine how you want to forge your path into the future.

In Part 1 of this book, we’ll explore each of these four proficiencies and discuss some of the key steps you can take to help build each one. This will be critical, if only to put you in the right frame of mind to build your strategic plan.

FIGURE P1.1

ARIA Inputs and Outputs

<u>A</u> NALYSIS	<u>R</u> ECOLLECTION	<u>I</u> NTUITION	<u>A</u> RTISTRY
Present	Past	Future	Path
Company/Capabilities	Influences	Vision	Strategy
Competitors	History	Goals	Story
Customers	Performance	Objectives	Resources
Industry	Experience	Target Market	Execution

As I mentioned earlier, strategy will consist of both inputs and outputs. Therefore, the proficiencies you build in Chapter 1 will correlate to the inputs and outputs shown in Figure P1.1.

I will discuss these inputs and outputs in much greater detail throughout Part 2 of this book, when I take you through the step-by-step process of building your strategic plan. But first we need to work on building the four proficiencies that will allow you to take an otherwise linear process and use it to create a dynamic work of art.

This page intentionally left blank

1

CHAPTER

ARIA

ANALYSIS

<u>ANALYSIS</u>	<u>RECOLLECTION</u>	<u>INTUITION</u>	<u>ARTISTRY</u>
Present	Past	Future	Path
Company/Capabilities	Influences	Vision	Strategy
Competitors	History	Goals	Story
Customers	Performance	Objectives	Resources
Industry	Experience	Target Market	Execution

Certainly you’ve heard of people having analytical skills. This usually conjures images of highly organized individuals with a penchant for numbers, data, and a black-and-white approach to getting things done. Being an engineer, I’ve carried this stigma, oftentimes negatively, throughout my career. And being labeled as “highly analytical” always appeared to be in contrast with being “highly strategic” when in fact these two characteristics are not in opposition.

The first step in dispelling this myth is in realizing that *analysis* is not synonymous with *data*. Instead, analysis involves taking large amounts of data and processing it with the intention of drawing additional information or a conclusion out of that data. In this way I like to think of analysis as a present-state condition, because the processing happens in real time and the conclusions we draw are fixed at the

point in time that the analysis occurs. When we consider analysis to be a past-state condition, we are ignoring the critical aspect of actually processing that information. Even if we analyze what happened, we are doing so in the present and through a present-day lens. So analysis is about the processing of data just as much as it is about the data itself. Because of that, being good at analysis will require a careful balance between being data driven and being driven to do something with that data.

I have seen many strategists who do not consider themselves to be analytical. Usually that's because they don't have the time or the patience to sort through the vast amounts of data that they feel they need to analyze. The fallacy in this conclusion is the assumption that lack of analytical proficiency is due to a lack of patience when in fact what it is really due to is a lack of organizational skills.

Think about your basement (or your attic, as the case may be). If you have a whole lot of stuff in your basement and can't fit anything else in, you're going to need to throw a few things away and organize the rest so that you can make room for some new stuff to be stored there in the future. If you don't do this, you will never allow yourself to collect anything new for fear that it will be too overwhelming or that you'll have no place to put it.

Although this isn't a book about how to keep yourself organized, I'd like to give you a few tips about how you might be able to clear some of your own mental space so that the process of analysis won't be so overwhelming to you:

Tip 1: Keep everything organized on the way in. Keep information organized as it is being collected. This will make it easier to access when you most need it, and it will also prevent unneeded data from piling up and cluttering your thought process.

Watch any cooking show and you'll always see a countertop filled with prepared ingredients neatly placed in the exact order in which they will be used, premeasured to save as much time as possible, and presliced, crushed, or puréed so that the chef can focus on the cooking process rather than on the preparation of various ingredients.

Strategy preparation is no different. You start with a lot of data—of that there is no doubt. But if you don't spend any time sorting and processing that data as you collect it, the task will be

too overwhelming to handle in an effective way once you begin developing your strategy. It would be akin to turning on the pan, putting in a tablespoon of olive oil, and then going to chop up your garlic. By the time you finish chopping, your oil has already caught fire. Then you have to think about putting out that fire instead of sautéing your garlic to just the right shade of golden brown. If you keep going through your entire recipe like that, I guarantee the end product will be ruined.

Tip 2: Don't be afraid to throw things away. Some people believe that there is no such thing as too much data. I completely disagree, and so will your executives when they have to sit through an hour-long presentation of you highlighting each and every bit of data that you collected because you don't want to waste any of it.

Think of a whiteboard. Those of us who work in an office environment on a regular basis know that the whiteboard is our conference room friend. The only problem is that the space a whiteboard gives you is finite. Many people who use the whiteboard are afraid to erase it at the end of their session because it might contain information that has to be formally captured, remembered, and utilized at some point. To protect this sacred domain, some whiteboard artists choose to scare off would-be trespassers by scrawling the famous DO NOT ERASE phrase across the top of their brain dump (usually written in all caps and encircled for added effect). And there the masterpiece sits, virtually untouched, for weeks at a time as other conference room users are forced to wonder who exactly issued such a dire warning and why this coveted information is so important that it would earn such a position of permanence.

Eventually some daring soul takes it upon himself to decide that the warning has overstayed its welcome, and in so doing he quickly erases the board, almost as if pulling a bandage off an open wound. But the ritual usually isn't quite as simple as all that. Heeding at least a little bit of caution, most people who are bold enough to take back this important bit of corporate real estate won't do so all at once. Instead, they scan the board and erase only those portions that they feel are less meaningful than others. This leaves a limited amount of space upon which they can write only their most essential points. This process may repeat itself one or even several more times until only the most salient point of each meeting remains—all of which can now be put to better use.

There are two points to this story: First, retaining too much information usually equates to it never being used. Second, if you distill your information to only the most relevant points, you can make room for more data, in summarized form, that can then be processed much more effectively. In the case of strategic development, this idea of space-clearing not only will make the information you have appear to be less intimidating and burdensome, it will also free up some room for additional data that you may have otherwise left out of your strategic thought process.

Tip 3: Don't confuse written data with valid data. Another fallacy about supposedly analytical people is that every piece of information they collect and analyze is tangible—that is, it is formally written down and documented. Although written documentation will be required for at least some part of the data that you will be gathering, it is not necessary for every piece of information to be collected in this way.

Many great strategists have the ability to process information in real time. They observe, collect, analyze, process, and plan all in nearly one step. Of course, in most business situations, this level of intuitive analysis can be somewhat dangerous, because more than one person will likely be contributing to the strategic process. So having everything reside in one person's head can be limiting (and risky if that person ever decides to leave the company). That said, you also shouldn't feel that *everything* will need to be captured on paper or in a database, because doing so may limit both your creativity and the speed with which you can put your data to use. The key in this situation is to maintain a healthy balance.

Similarly, you should not feel as though the analytical part of your strategy will not be valid unless you have *X* amount of data or unless it took you *Y* amount of time to collect that data. There are no formal rules here. So, yes, give yourself an ample amount of time to go about collecting and analyzing data, and give yourself some minimums as to what critical data you will need to support your future plan, but don't feel like every box has to be checked on your checklist for every single strategy that you wish to pursue. More than likely your analysis will have gaps, and more than likely you'll be able to fill in those gaps with some of the other proficiencies that we'll discuss next.

There you have it: three tips on how to approach analysis, even if you consider yourself to be nonanalytical. Remember that being analytical is not a bad thing or something that should be relegated to data crunchers. The only reason I can see for the (sometimes) negative connotation around this term is that so few people have the discipline to actually collect and analyze information in an organized way. If you want to build a successful strategy, this is a proficiency you must develop within yourself. Don't be afraid of it. Instead, you should embrace it and, in so doing, join the ranks of successful strategists who can analyze their present situation in an organized, efficient, and nearly real-time manner and who can use that information to help determine where they want to go in the future.

RECOLLECTION

ANALYSIS	RECOLLECTION	INTUITION	ARTISTRY
Present	Past	Future	Path
Company/Capabilities	Influences	Vision	Strategy
Competitors	History	Goals	Story
Customers	Performance	Objectives	Resources
Industry	Experience	Target Market	Execution

Our second proficiency, Recollection, is all about drawing upon our influences, experiences, and understandings of what has worked before. It is all about what's happened in the past and roughly translates into whatever formal training you choose to receive, as well as whatever personal history you choose to draw upon.

For my songwriting analogy, this equates to whatever skills I was taught, whatever tools I was given, and whatever influential musical styles I am equipped to work within. For example, there are many times that I have wanted to write a song in a certain style—for some reason, boogie-woogie comes to mind (perhaps because it's a style that has somehow always eluded me). There are many resources available to me if I want to learn to play or write in this style. If I choose to pursue those resources, I would probably go online and do some homework first. Then I would likely read, watch, listen, and practice—and all of this time would be spent learning from people who have a firm understanding of this style and can distill it down

into parts and pieces that can be taught back to someone like me. After I had learned that style to whatever degree I felt suited my purpose, I would make those learnings a part of my personal toolbox and use them going forward. The same could be said of any other musical style, influence, theory, or practice that I might wish to pursue. Musicians all grow up in their crafts by learning the styles of players who came before them. No one style was ever invented by any one person. Instead, styles are cumulative and evolve over time from previous styles and the many others that came before them.

The same exact line of thinking can be applied to our topic of strategy. A big part of your Recollection proficiency will come from learning about the many companies that have successfully pursued one type of strategy or another. It will also come from the many strategic thought leaders who have captured these experiences and added their own insights into what may or may not have worked in the past.

Later, when we examine creating our strategic plans, I am going to refer to three common frameworks that I have found to be useful tools, particularly with respect to the process that I am outlining. I have also provided references to additional books, articles, and other interesting information in the Resources section at the back of this book. But these are only a sampling among the literally hundreds of other frameworks, articles, books, and methodologies that have been written about, rewritten about, and presented to would-be strategists in some form or another. The important thing is to understand what your influences are and to know how to supplement, enhance, or grow your knowledge and training based on the type of strategy that you are trying to put in place.

In addition to what others have written, your own observations will be equally important to consider when preparing your strategy. Companies are executing strategies every day right in front of your eyes. As a consumer, you experience the results of those strategies—both good and bad—and can draw your own conclusions about how effective they are. By studying what others have done, you can use those influences to help drive what you ultimately want to achieve yourself, and to help guide how you might, or might not, go about getting there.

In music, this equates to the hundreds of songs and artists that will serve as influences for any given songwriter at any given time, depending on the type of song that is being written. And although songwriters will use their influences as a guide, the best songwriters will be careful never to copy any one of those influences outright.

This lesson translates directly into the business world as well. The public rewards originality and generally condemns outright copycats. It is absolutely necessary to use what other companies have done as part of the toolbox from which you draw inspiration; however, it is important that you remember to put these lessons into their proper context. For example, you may be inclined to want to do things exactly as Company X or Company Y did them, when in fact, just like copying someone else's song, doing so would likely not yield the same results because that strategy has already been written, implemented, performed, and rewarded, and that pattern is unlikely to repeat itself unless you add your own twist to it.

Another key part of recollection will involve drawing upon your own history, experiences, and observations. The key is all about keeping your eyes and mind open and watching what's going on around you.

Remember that we are looking back in the past with the intention of ultimately determining where we want to go in the future. If we think about the game of chess (which is arguably considered to be one of the most strategic games in existence), being able to win the game is completely dependent on your ability to outthink your opponent. You do that by assessing your current situation and using that situation to try to predict what your opponent will likely do in response to any number of moves that you might be considering. And the way you will be able to predict those future responses will be based on all of the moves you've seen all of your various opponents make in response to all of your various moves in the past. So the chess player's brain becomes a database of cause and effect, and the person with the most complete and effective database usually wins.

It is important that you learn to build your own internal database of the moves that you (or your company) have made in the past and the effects that those moves may or may not have had. To do this, you will need to know as much as you can about all of the conditions that existed at the time those moves were taken. In this way, you will begin to set up that same type of cause-and-effect database that a chess player constantly keeps inside his or her head at any given time. This database of past events will then be used when you analyze that information to begin determining what might happen in the future. So you can see how all your proficiencies will begin to merge around your strategic process.

In using your own experiences to guide you, it is important not only to remember those experiences but also to learn from them. In a society where erasing our facial lines is becoming more of a norm, I am constantly left wondering why we are so eager to hide the very symbol of our own age and experience. Our facial lines are formed as a result of years upon years of repetitive expression, which itself is an indicator of all of the range of emotions that we've experienced and all of the challenges that we've overcome. This is not something that should be forgotten and discarded. Instead, these experiences should be worn with pride.

Companies are no different. I am constantly amazed at how many companies choose to ignore their own experiences. It is almost comical how many times some companies choose to reorganize themselves, often going back to iterations that have already been tried and discarded many times over. It's almost as if companies don't trust their own histories, which attests to a collective corporate self-confidence that appears to be fairly low.

Perhaps it is for this reason that many companies decide to erase their own facial lines and hide, or ignore altogether, the many different expressions that they have made over their long and storied histories. Good or bad, companies need to remember their experiences, learn from them, and weave them back into the fabric of their future strategic plans. Yes, it is important to know and learn from what others have done. Just don't leave yourself out of that equation.

In short, remember that strategy came long before schooling. You can learn to do something more effectively with formal training, but chances are, even in lieu of that, your company has been executing strategies for years. So always remember to balance your formal training with real-life experiences and, in so doing, you will round out the skills needed for effective recollection.

INTUITION

ANALYSIS	RECOLLECTION	INTUITION	ARTISTRY
Present	Past	Future	Path
Company/Capabilities	Influences	Vision	Strategy
Competitors	History	Goals	Story
Customers	Performance	Objectives	Resources
Industry	Experience	Target Market	Execution

We've looked at the present, we've drawn from the past, and now we have to focus our third proficiency squarely on the future. To do this, let's explore this magical, mystical, highly misunderstood proficiency we call Intuition.

I once worked for a leader who had a keen sense of intuition. Most people described him as street smart, and he was wildly successful as a result. The reason is because he followed his instincts. He didn't overanalyze things, he didn't try to make things more complex than they needed to be, and he didn't follow any prewritten book of business rules. He just knew what needed to be done and he did it. When I used to present my strategies to him, he would usually tell me, "Bob, just tell me what you want to do." In other words, he wanted me to stop trying to fit my strategies into some preconceived formula and instead just tell the story from my gut. And every time I followed this advice, my strategies ended up being more successful.

Irving Berlin, one of the most prolific and influential songwriters of modern times, never formally learned to read or write music. And it is in this simplicity that some of his most famous songs were written. When he asked one of his collaborators, Victor Herbert, who was a traditionally schooled composer, whether or not he should study music composition, Mr. Herbert was quoted as saying, "You have a natural gift for words and music. Learning theory might help you a little, but it could cramp your style."¹ That must have been pretty good advice because the Berlin-composed song "White Christmas" was listed in *Guinness World Records 2015* as having sold an estimated 50 million copies throughout its existence.²

It's hard to deny that some people just seem to have a better innate ability to see the future than others. The same can be said for musicians and composers. Some of them seem to have a knack for developing a melody that connects with people. But should we attribute this capability to some sort of genetic disposition, or is it something that can be developed and taught?

Traditional methods of learning tend to rely on recollection—that is, in mastering theories that have already been established. And although I believe this is an important component of learning, if you do not leave some room for new feelings, insights, and observations, then you will spend all of your time trying to imitate the past and not enough time applying that past to the future.

Such are the concert pianists who work their entire lives to master the works of the great composers who have come before them. In return, they are able to play each piece with a level of precision, accuracy, and feeling that can hardly be matched by the casual student. But this is *not* the same skill that will be required to compose an original piece of music. For that, our experts need to let go of a little of what they were taught and make some room for their own observations and instincts.

The same can be said of highly schooled business leaders. They may spend a lot of time learning what other people have done but not enough time coming up with their own original ideas. In my observation, I believe this is one of the main shortcomings of many businesses today. They chase one another. They compete and chase and compete and chase; while too few are actually opening their minds to seeing a future that no one else has yet envisioned.

It seems clear that we are all born with some level of empathetic instincts: a keen sense of what other people are feeling and, to some extent, what they're about to do next. The problem with rational creatures such as ourselves is that we can easily suppress some of these natural instincts in favor of the many billions of other inputs that we receive on a constant basis. This means that in order to tap into some of our more innate abilities we may need to learn to shut down a few of our acquired learnings—even if temporarily.

It is thought that if you take away any one of our senses, the others will become that much more heightened. One interesting example of this can be observed in certain individuals who have lost their sight and then learn to navigate by making a series of noises and listening for how the resulting sound waves are absorbed or reflected by the surrounding environment. It is suggested that this ability to echolocate is processed using the same part of the brain that would otherwise have been used to process visual information.³ Using this sense of sonar that most of us couldn't even dream of tapping into, these unique individuals navigate in certain circumstances with nearly as much accuracy as somebody with full sight. This suggests that we may, in fact, be able to tap into otherwise unrealized abilities when some of the inputs that we are normally exposed to are not present.

All of this culminates in two main suggestions to help build your own intuitive proficiencies:

1. You must believe that you have a creative, visionary energy source that can be tapped into. Erase the notion that some people are born with vision and others are not. The ability exists in all of us to varying degrees. So assume it exists in you as well and that it just needs to be cultivated.
2. You must open your mind to the possibility that this energy source can only truly be tapped into if you learn to put aside a few things that you may have been taught in school. You don't have to erase them from your memory; you just need to move them out of the category of things you *need* to do and into the category of things that might *inspire* you to be more aware. And then you can use those inputs later when you begin to develop your strategies.

When you master this intuitive proficiency, you will be able to foresee a future that others could not. And this will give you perhaps the most important strategic advantage you could ever hope to acquire: the element of surprise.

Good strategy—I mean *really* good strategy—needs to have an element of surprise. In war, this can be demonstrated, quite literally, by the fact that if your enemies can predict exactly what you will do next, they will very likely be able to outsmart you and prevent you from achieving your overall objective. One of the first things your enemies are likely to do in fact is balance what they know about the past with what they believe will happen in the future. This combination of learning and feeling will give them certain insights as to your next anticipated move.

If you do as they predict, you will lose. If, on the other hand, you are always staying one step ahead of your enemies—anticipating not only what they're likely to do but also what they're likely to think that *you're* likely to do—then you'll win. The point is that your gut needs to guide you past what you know, past what you observe, and well into what you anticipate might happen based on both of those inputs. That's where your intuition will live, and that's the proficiency you have to develop in order for your strategy to succeed.

ARTISTRY

ANALYSIS	RECOLLECTION	INTUITION	ARTISTRY
Present	Past	Future	Path
Company/Capabilities	Influences	Vision	Strategy
Competitors	History	Goals	Story
Customers	Performance	Objectives	Resources
Industry	Experience	Target Market	Execution

There's one last proficiency that you'll need to master before setting out to build your strategic masterpiece. In many ways, it brings the other three proficiencies together in a way that allows them to be fully utilized and harvested. This is the proficiency that will enable you to be an "artist."

When I think of an artist, the first image that usually comes to mind is of a person in a beret and a smock, dipping his brush into a multicolored palette of various paints that he holds in one hand, while alternately stroking upon a semi-blank canvas with the other. I'm not sure why I put a beret on the poor fellow, but somehow that's what I picture! In any event, in so many words, I first think of an artist as someone who paints or draws, or, more accurately stated, someone who can translate what's in his or her mind into something that can be shared with others.

If I expand upon this a bit, I might say:

- An artist has an important feeling or idea that she or he wants to share with others.
- An artist expresses that important feeling or idea so that others can also experience it.

Following this line of thinking, it's not hard to see how art and artistry expand far beyond drawing or painting. An artist can express his or her ideas or feelings through any number of different mediums, including acting, filmmaking, comedy, music, writing, or even (you guessed it) a business strategy. The key to being an artist is that you have to care enough about something to want to express it, and then you have to translate what you care about in a way that will allow people to experience it.

This really all boils down to two main characteristics that comprise the Artistry proficiency: passion and expression. Let's explore both a little further.

Passion

There are many surveys that have been done with respect to job satisfaction, with satisfaction rates ranging from just under 50 percent to just over 80 percent, depending on which slice of the workforce is being polled and at which point in time. More interesting, however, is the correlation between job satisfaction and compensation: as higher-paid workers generally indicate a higher rate of job satisfaction than lower-paid workers.⁴ So this begs the question: Are they more satisfied because they're being paid more, or are they being paid more because they're more satisfied? It's an interesting question, to be sure.

There may not be a definitive answer to that question, but my experience tells me that satisfaction comes before reward, not the other way around. I have personally given large bonuses, raises, or other financial rewards to people who were clearly unhappy with their jobs, and the resulting job satisfaction was very temporary—only to be replaced by another gripe or complaint about another aspect of the job several months, or even mere weeks, down the road. On the other hand, I have observed that people who are truly passionate about what they do don't care as much about what they get paid. They do what they do because they love to do it. The result is better performance, and the result of *that* is almost always greater long-term financial reward.

Mind you, I'm not talking about rewarding people who work *harder*. I'm talking about rewarding people who are easy to work *with* because they absolutely love what they do. That holds a lot of weight in the business world, oftentimes to the chagrin of workers who believe they should be measured only on the number of hours they work or the number of brain cells they utilize in any given day. Passion is what is rewarded, because passion oftentimes leads to far greater and far longer-term success.

Week after week, I go into large companies and work with their product managers, marketing teams, and strategy experts, and I watch so many of them try to apply a strategic formula to a product that they simply do not care about. They may say they care, and superficially it may even appear that they do. But if the caring doesn't go much deeper than the paycheck and job security, it simply isn't enough. And the only way that I can help those strategies to be successful is if I can build excitement and passion in their strategic owners.

Almost without fail, the strategies that end up being the most effective and that end up having the most profitable results are also the ones that are driven by the most passionate strategic owners. That's not to say that passion is the only differentiator, but it certainly is one of them. The reason, I believe, is simple: *passion is infectious*. Passionate people care about their products, which in turn causes them to care about their strategies. And their strategies usually involve solving problems that they care about, with products that they care about, for customers whom they care about. And that, in turn, almost inevitably leads to greater profitability. I've seen the pattern enough times to recognize it, and that pattern holds far more weight than the person who works 80 hours a week and hates every minute of it.

So you have to have passion. Of that I am certain. But passion isn't a skill. If it were, our acronym would be ARIP! In fact, in business, as in life, caring will have little impact without sharing. So it is in the expression of your passion where the true skill resides.

Expression

Passion, like most emotional responses, is difficult to measure tangibly, so we can only judge its magnitude based on the effect it has on others. If I think that I'm passionate about something, but nobody else sees it, then my passion will serve little purpose. It doesn't mean that my passion is nonexistent. It just means that it will be inconsequential. That is the same as the age-old question about the tree falling in the forest. If nobody is around to hear it, does it make a sound? Yes, sound waves are actually generated. But if no ears are around to actually receive those sound waves, then it is the same as if they never existed in the first place.

Expression allows your passion to be shared and felt. People can express themselves in any number of different ways. To try to organize this a little, let's turn to the receiver instead of to the sender. Expression is a method of communicating from one human being to another. We communicate based on how a person will receive the messages that we are trying to send. So if I want someone to hear something, I use audio communication. If I want someone to see something, I use visual communication. You get the idea. The important point here is that effective communication is based on

the *receiver* because, if I send a message and it isn't received, then the communication fails.

This is no small point because if I, as the communicator, do not pay attention to the way my audience is not only *able*, but also *willing*, to receive my message, then sending it might have no effect.

So how exactly do we receive messages? This happens through some combination of our five senses:

- Sight
- Hearing
- Taste
- Smell
- Touch

Artists can, and often do, draw upon each of these senses in order to transmit their messages. But here's the trick: the more senses that are touched, the more effectively your message will be received. The reason for this is simple: you are attacking on all fronts, leaving no room for the receiver to be distracted by anything other than your message. In short, you are totally immersing the user in your experience.

This is the same concept that I discussed with respect to enabling your intuition, only viewed from the other side of the equation. If all of your senses are being fully utilized, there may be little room for additional information. As a sender of information, this is exactly the effect you are trying to have on your receivers.

Artists have long understood this concept, at least on a subconscious level. For example, when silent films were first introduced, producers must have instinctively known that the more immersed a moviegoer was in the experience, the more effective that experience would ultimately be. Although technology did not yet allow for synchronized sound, it was commonplace for silent movies to feature live musical "soundtracks" that would complement the story and help set the mood for critical emotional cues within the film. This, of course, eventually evolved into the use of fully synchronized audio tracks that, interestingly, continued to feature some type of musical soundtrack to help focus the audience's auditory senses on the story that was being told. With modern sound systems, this has been taken to such an extreme that when you walk into a movie theater, you literally can't hear anything other than what's happening on the screen.

Businesspeople could do well to take a few cues from this immersive approach. Most business presentations contain some combination of sight and sound, but often there's very little coordination between the two. Usually there is some form of slide show carrying on as the backdrop for what seems like an endless monologue, nervously delivered by a not-very-interesting presenter who may be more concerned with showing people how much he or she knows than with actually communicating that knowledge to an entirely distracted and utterly disinterested audience. I've been there several times myself, and I've witnessed it even more often. The focus is usually on jamming as much information as possible into as little time as possible, all of which seems like a lifetime for the audience because not enough attention is being paid to actually trying to engage people. And usually this approach, although the accepted norm, completely fails.

Perhaps this is a slight exaggeration, but the point is that any presentation delivered without consideration for the receiver will ultimately miss the mark. And any presentation delivered without any passion behind it will have no chance of succeeding at all, because there is really nothing to express.

Most artists are so passionate about the message they are trying to convey that they absolutely couldn't fathom *not* expressing that message through whatever means are available to them. In business, if you are passionate about your strategy, it will not end with the presentation, with the first sign of resistance, with a battle of functional egos, or even with your paycheck. If you are truly passionate about your strategy, you will drive it right through implementation, no matter the obstacles, and holding everyone's attention along every step of the way. In so doing you will be touching all five senses of your receivers and truly expressing your passion just as an artist would.

So what does it mean to be an artist? In this case, it's about connecting the passionate desire to express something with the skill to actually express it.

Later in this book, I'll cover the expression part of this equation in depth. I'll teach you how to present your strategy, how to implement your strategy, and how to lead the teams that will help you to drive your strategy. But passion is something that I cannot teach you directly. What I *can* do is to encourage you to *find* your passion. And if the product that you are currently managing isn't it, then find

something about that product that you can get excited about, or go develop a different strategy that *will* make you excited about your product. Because if you get excited, chances are your customers will get excited too. And, more important, if you're not excited, nobody else will be either.

In short, you have to connect your strategy to something you care about. Usually this can be found in the problem you are trying to solve—not for your company, but for your customer. Focus on this, and the passion will find you. And if it doesn't, then you may just need to find another problem to solve.

MIXING THE INGREDIENTS

You will need to balance the four proficiencies of Analysis, Recollection, Intuition, and Artistry in order to successfully compose and implement your strategic plan. From a musician's standpoint, I am always thinking in terms of the "mix," meaning: Are all of these proficiencies required in equal parts, or should one be more prominently featured than the others?

To help answer this question, let's look at two scenarios that, as luck would have it, just happen to support our songwriting analogy!

1. A professional songwriter who writes music for a living.
2. A newly formed rock band that is still trying to find its sound.

In the first example, the songwriter has a job to do. She may have been hired by a publishing company that pitches new songs to music labels and recording artists. In this case, the songwriter will have been contracted to work in a certain style, within a certain time frame, and perhaps even in relation to a certain subject. To do this, she might need to rely much more heavily on her Analysis or Recollection proficiencies, drawing more upon her knowledge of how to compose within a given musical style, and basing her songs heavily on what has worked for other successful artists in the recent past. That's not to say that the more creative aspects of Intuition and Artistry will be completely ignored. On the contrary, these too are essential ingredients to getting just the right sound that is inspired by, but does not mimic, other songs that are already on the market. Still, this scenario is bound by parameters that will require a heavier weighting on one or both of our first two proficiencies.

In the second scenario, the newly formed rock band is working, more or less, without limits. Certainly they have training and influences that they are drawing upon, and, in hopes of one day being signed to a record label, they may have even done research into various aspects of their potential audience, competing local bands, and current musical trends. But for this group the sky is pretty much the limit and, because of that, they have the ability at this point to work without the financial restrictions that a record label might have otherwise placed upon them. This group can now rely more heavily on their Intuition and Artistry proficiencies, possibly even defining a new musical genre that doesn't sound or feel like any other band that has ever existed before them. Not that every start-up band chooses to go this route, but they certainly can, and many have.

In business, the same basic principles will apply. Weighting your recipe toward one proficiency or another will result in different strategic outcomes. The more you rely on your Analysis or Recollection, the more conservative your plan is likely to be. The more you lean on your Intuition or Artistry, the better chance you will have at developing a breakthrough strategy.

To help guide you along this path, I have created a quick reference chart, as shown in Figure 1.1, that defines this relationship in a bit more detail. The idea here is to help balance the proficiencies that you apply and utilize for your strategy based on the strategic result you are trying to achieve.

FIGURE 1.1

Strategic Proficiency Mix

Analysis	✓	✓	✓	✓
Recollection	✓	✓	✓	✓
Intuition	✓	✓	✓	✓
Artistry	✓	✓	✓	✓
	Protector	Follower	Innovator	Differentiator

Strategic Result

Proficiency Mix

In my experience, if you balance your recipe toward any one of your four proficiencies, your strategy will be more likely to have one of the following outcomes:

- **Protector.** If you tend to use more Analysis in your strategic formula, you will be focused mostly on the present. The result will be a strategy that leans toward protecting your current position, standing your ground, or defending your territory.
- **Follower.** Strategies that use more Recollection in their creation will tend to be more focused on the past. The result will be a strategy that uses many elements of other strategies that have been implemented before or that uses frameworks or models that are largely based on activities that have already been (usually successfully) utilized. This could result in more of a “me too” or “fast follower” outcome, which, contrary to some beliefs, is not always a bad thing.
- **Innovator.** Leaning more on your Intuition will give you a natural tendency toward looking at the future and anticipating what is likely to happen next, usually over the long term. This will most likely lead to innovation, which itself is focused on using your gut instinct to constantly improve above and beyond your own current state.
- **Differentiator.** If you draw from your Artistry—that is, your passion and relative expression of that passion—your strategy will likely become focused not just on improving what you have today, but improving it in a unique or creative way that nobody else has thought of before.

As I mentioned, your strategic plan will have inputs and outputs. The inputs will be based on the past and present, and the outputs will be based on the future and your chosen path. If you draw more heavily on the proficiencies that are focused on your inputs (Analysis and Recollection), then your resulting plan will be more focused on the past and present. If, on the other hand, you draw more heavily on the proficiencies that are focused on your outputs (Intuition and Artistry), then your plan is more likely to be focused on the future and, perhaps even a future that nobody else has yet envisioned.

I often hear people at companies say that they want to be more innovative or differentiated. Yet at the same time these companies

may be overemphasizing past or present-day concerns, such as working capital restrictions, mandatory short-term revenue and profitability goals, or the most recent competitive or industry performance reports. Not that these are invalid parameters to pay attention to, but a heavier weighting on these types of concerns will inevitably cause people to lean more on their Analysis or Recollection proficiencies and less on their Intuition or Artistry proficiencies. This will yield strategies that are more focused on protecting or following rather than on innovating or differentiating.

Of course, this tendency is understandable. Companies naturally want to protect what they have, and in fact they have a fiduciary responsibility to their investors to do just that. The problem is, if large companies truly want to innovate to the same degree as their smaller start-up counterparts, they're going to need to embrace some of the proficiencies that are focused on the future, not just on the past or present. And this must be done not only through words but also by truly investing in the right resources with the right risk profiles to enable this type of long-term strategic outcome.

The point of all this is that you (and your company) need to decide what type of strategy you want to end up with, and then focus your mix of proficiencies in order to achieve that end result. If you want protection, focus on Analysis. If you want to follow your competitors, focus on Recollection. If you want to innovate, focus on Intuition. And if you want to differentiate, focus on Artistry. Don't ignore the other proficiencies; just lean a little more heavily on those that will get you closest to your desired end state.

So we have our proficiencies all laid out in front of us, we know which proficiencies we want to focus on, and we've measured everything relative to the end result that we're looking for.

Now we're ready to begin composing our strategies.