

Matthew's Book Club Summary #12

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Title: First Break All The Rules

The book club started as an informal, fun way to explore and consider business ideas relevant to our work with colleagues. The format consists of one person (usually Matthew) reading a book and writing a summary for discussion during team meetings. This allows the other team members to benefit from the book's insights, without carving time in their schedule to read the full volume.

The idea was to summarize *an interesting part* of each chapter in a paragraph or two, and where applicable, note how these could be relevant to the workplace. This provides the reviewer with practise condensing a mass of data into a few pieces of key information: an underappreciated skill. The reviews are meant to be accurate but light-hearted, on the assumption that people learn more when they're having fun.

Matthew's company gave permission for these to be distributed to non-employees as long as the employer-specific content was removed, for which he is sincerely appreciative.

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About the author:

The author, Marcus Buckingham, led the work by Gallup (the polling firm) to statistically distinguish great and awful managers and workplaces. After leaving Gallup to work on his own, he was sued by his former employer, since his consultancy was based on all the IP he developed while there.

The book's main thesis seems to be, the best managers invert all the conventional wisdom / rules-of-thumb about managing. (Hence the gimmicky title, "first break all the rules")

Ch	Title	Summary
	Breaking all the rules	<p>No matter how skilled or motivated they are when they come in the door, an employee's productivity and tenure is usually determined by their relationship with their supervisor.</p> <p>The best managers <i>find</i> a fit for their employees, which use the employee's ingrained strength. They don't try to artificially mould them into roles.</p>
1	The measuring stick	<p>This chapter introduces the Table of Twelve Questions, appended below. The most important insight is:</p> <ul style="list-style-type: none"> • companies don't have "a" corporate culture: they have as many cultures as managers. <p>More so than executives, managers are <u>the key to a company</u>. They're the ones who'll keep employees productively engaged, or drive them away.</p>
2	The wisdom of great managers	<p>Companies' great managers (measured by economic success and employee feedback) tended to think along these lines:</p> <p><i>People don't change that much.</i> <i>Don't waste time trying to put in what was left out.</i> <i>Try to draw out what was left in.</i> <i>That is hard enough.</i></p> <p>The basic message: don't shore up people's weaknesses – build their strengths.</p> <p><i>I spent my first five years trying to "put in" something that doesn't come naturally to me – project management. I've done better since then, leveraging what I've got – communications. (McKinsey white paper, accelerated testing presentation featuring Godzilla, speech at Canadian Embassy in Tokyo, theatre play, etc.)</i></p>

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3	Key 1: select for talent	<p>Every role has its nobility, no matter how seemingly menial. And what makes someone “talented” in one role, will make them flop in another. Wayne Gretzky was a talented scorer – he was a seriously non-talented goon, and his coaching has been so-so. (Time will tell.)</p> <p>The authors suggest thinking of talent not in the sense of “unusual skill” but in a sense of “general aptitudes”. This is further covered in the sequel, <i>Now Discover Your Strengths</i>.</p> <p>When hiring, the best managers looked for people whose “talents” complemented the manager’s and team’s needs. Like Feng Shui, but interpersonal.</p>
4	Key 2: define the right outcomes	<p>The core message here is to ensure people are working to the right goal. In many situations, their goal conflicts with the ultimate desired outcome. (This was also discussed in <i>Thinking in Systems</i>.) Not a revolutionary insight, true.</p> <p><i>I read an article, I believe about Chrysler in the 1990’s, where they reduced costs by cutting R&D. While it improved the balance sheet in that financial reporting period (goal) it ultimately impaired Chrysler’s long-term viability (ultimate desired outcome).</i></p> <p>To reduce the likelihood of goals getting in the way of desired outcomes, the authors suggest cascading goals backwards from the customer:</p> <ol style="list-style-type: none"> 1. what’s right for the customer? 2. given that, what’s right for the company? 3. given those, what’s right for the person?
5	Key 3: focus on strengths	<p>The best managers found their employees’ talents, and tried to customize roles that let them shine. They also invested time shadowing their best performers, to try to figure out the magic ingredients.</p> <p>When it came to underperformers, the managers either:</p>

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		<ul style="list-style-type: none"> • built a support system found person(s) to take care of what the employee was bad at, so the employee could focus on what they were good at • found more suitable roles got the employee to a role playing to their talents <p><i>Gretzky couldn't fight, so Glen Sather hired Dave Semenko (a goon). Steve Jobs is a visionary; he doesn't like the day-to-day stuff. His COO Tim Cook covers the everyday stuff, and is the highest-paid executive at Apple.</i></p>
6	Key 4: find the right fit	<p>The main message here is: give people reasons to do what they do best, instead of trying to leap into management. Over the decades in industry, a lot of skilled engineers have turned into unskilled managers – benefitting no one.</p> <p>The best companies offer different career paths, with overlapping pay ranges. That lets people stick to doing what they love doing, instead of artificially trying to become managers.</p> <p>A senior server at a Disneyland restaurant could make \$60,000. If they want to go into management they'll start at \$25,000. (If they prove to be good managers, they'll top out well above \$60k, of course.)</p>
7	Turning the Keys: a practical guide	<p>Like most concluding chapters, this re-hashes most of what came before. There were a few new suggestions though. They suggested that managers should:</p> <ul style="list-style-type: none"> - use <i>outcomes to measure performance</i>: quantify goals as much as possible - go for world-class, <i>in every role</i>: if a task can be done, it can be done excellently - study your best: find everyone's strengths, and have them teach the team their best practises relating to those strengths

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		- stop remedial training: send people to “remedial” courses only if absolutely, utterly necessary. Instead, send them to courses which can capitalize on their strengths.

managers can affect these

Q #	Question	Theme
1	Do you know what is expected of you at work?	What do I get?
2	Do you have the materials and equipment you need to do your work right?	
3	At work, do you have the opportunity to do what you do best every day?	What do I give?
4	In the last seven days, have you received recognition or praise for doing good work?	
5	Does your supervisor, or someone at work, seem to care about you as a person?	
6	Is there someone at work who encourages your development?	
7	At work, do your opinions seem to count?	Do I belong here?
8	Does the mission/purpose of your company make you feel your job is important?	
9	Are your associates (fellow employees) committed to doing quality work?	
10	Do you have a best friend at work?	
11	In the last six months, has someone at work talked to you about your progress?	How can we all grow?
12	In the last year, have you had opportunities at work to learn and grow?	