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A more inspired approach to business growth

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Contents

Credits

To Alison, Anna and Clara.

And to all the people around the world in organizations large and small, who believe in creating a better approach to business, and have ideas they would love to make happen.

I hope, in some small way, that this book inspires you.

About the author

Peter Fisk is a highly experienced business strategist, consultant to business leaders worldwide, an inspirational business speaker and a business entrepreneur. He has spent many years working with the likes of British Airways and Coca-Cola, Marks & Spencer and Microsoft, Virgin and Vodafone.

He is author of the best-selling book *Marketing Genius*, which has been translated into 24 languages, and *The Complete CEO*. He is described by *Business Strategy Review* as 'one of the best new business thinkers'.

Peter started his career as a nuclear physicist, before getting into the supersonic world of marketing at British Airways with roles in brands and marketing, strategy and leadership development.

He was CEO of the world's largest professional marketing organization, the Chartered Institute of Marketing. He also led the global strategic marketing consulting team of PA Consulting Group, was managing director of Brand Finance, and a partner of strategic innovators The Foundation.

He is founder and CEO of The Genius Works, helping business leaders around the world to think differently – to develop and implement more inspired strategies, innovation and marketing. He recently launched *The Marketing Fast Track* and hosts CNBC's *The Marketing Show*.

He is an accomplished international speaker on all aspects of business strategy and leadership, innovation and marketing, customers and brands. He is thoughtful and considered, provocative and entertaining – capturing what's hot, what works, and what's next.

He defines the emerging agenda for business, working across the world with companies and their leaders, to make the best ideas happen practically and successfully.

For more information visit www.thegeniusworks.com or email peterfisk@peterfisk.com.

Inspiration

Osaka, Japan.

I am watching the race to be the fastest man on the planet.

It is a hot and humid evening in the magnificent Nagai Stadium. The night sky is clear and there is a warm breeze, although not enough to help the athletes. The large, knowledgeable crowd fall silent as the eight contenders approach their starting blocks. They look focused and confident, but also nervous or scared. Who will become the world 100m champion?

In the commentary box, Michael Johnson, a sprint legend – nine times world champion himself, and still a double world record holder – watches the athletes closely. He knows that they are all in superb physical shape, they each have excellent records in previous competitions, and he can reel off the times they have previously run to one hundredth of a second.

But those statistics will not determine the winner tonight.

He is watching their body language. How they walk, hold their heads, the look in their eyes. Who has the strength and fitness, the passion and desire, but also the focus and control to win? The Jamaican looks too relaxed, he thinks, the Briton seems to be a bundle of nerves, the Slovenian appears completely overawed, whilst the American looks quietly ahead at the finish line in the distance.

Johnson always ran with his head held high. The sign, he says, of an athlete who knows he will win. It is not just about running fast, it is about being able to execute the right plan at the right time. It is not just about capability and confidence, but the ability to think smarter and act faster than others.

I think about how 'genius' can be applied to business.

Who are the most successful businesses today? What do their people do differently? How can big companies learn from small ones, and vice versa? What can creative entrepreneurs and experienced business leaders learn from each other? What makes a great business strategy? And how do they drive more profitable, more sustainable growth?

Faster.

Of course there are many answers, and many different, great role models, from Dietrich Mateschitz and his secret of Red Bull to Jeff Immelt and the creative transformation of General Electric, Ray Davis and the extraordinary story of Umpqua Bank, or Zara's Spanish king of fast fashion, Amancio Ortega.

There are future-back strategies that find the emerging markets first, and outside-in propositions that touch people more deeply. There are right-brain leaders who play a more collaborative role in their businesses, and energized people who deliver radical action and extraordinary results.

So where should we start?

More specifically, what's an inspirational way to start a business? Indeed, what's an inspirational way to start every day?

If you're a rock star you might throw on your shades and head off to the recording studio. If you're a dedicated athlete, you might kick on your running shoes for the morning training session. If you are the cool entrepreneur Renzo Rosso, you might sip your espresso as you plan your next Diesel brand extension. Or if you are the king of all things digital, Steve Jobs, you might already be in deep thought about which market to transform next.

Or you could be you, heading for your office, switching on your laptop.

Each morning you start with a clean sheet of paper, the hours ahead of you are opportunities to grow – to do something better, to develop your ideas further, to improve your own capabilities, or to grow your business faster. Every activity, every meeting, every decision is an exciting opportunity.

Somehow it doesn't often feel like that. Most people in most businesses head straight for the coffee machine, then to their email-laden inboxes, or start a sequence of hour-long review meetings, or click open their hundred-page documents.

Why do we do this?

We spend most of our business lives with our heads down. Doing what we do, reviewing what we have done, doing more of what we have always done. The endless pursuit of more information, more detailed analysis, faster reporting, and efficient optimization, catches us in a spreadsheet trap.

We have little time to think.

We rarely step back and consider the possibilities, use our intuition rather than analysis, our own insights as opposed to the latest research, our imaginations rather than our artificially-enhanced intelligence. The endless treadmill of meetings and deadlines, the demand for speed and precision, leaves little time to talk, to learn, to listen, to imagine.

Is this really the route to competitive advantage? Is it the environment for innovation and growth, or for efficiency and commoditization?

When was the last time you listened to a truly inspiring person? Spent time talking to individual customers about their ambitions; not just their needs? Learnt from a completely different business or environment? Sat down with a team and talked about the future not the past? Had a truly original idea that you actually made happen? Left work so energized that you were desperate to get back next morning?

Business needs more inspiration.

We need to spend more time with our heads up. We need to break the routine of our daily schedules, use the spreadsheets as a platform from which to think more creatively, to trust our intuition as well as the data. We need to get out of self-limiting sectors, with our self-defined conventions and our self-depressing schedules, to be human, thoughtful and imaginative.

How else can we make our brightest ideas happen, stand out from the competition, go beyond the conventions of today, make a bigger difference to the lives of real people, influence the way the world works, and generate significant wealth for our society, shareholders and selves?

The human body is an amazing machine. The human brain is an incredible device. With both our intelligence and imagination we should be able to create outputs that are much more than ordinary: we should be able to create extraordinary results.

Think differently

I wrote this book because I want to inspire people to think differently, to get more out of themselves, and to make a bigger and better contribution to their businesses and markets.

My own inspiration comes from a career that started in the beautiful countryside of Northumberland, with its rolling hills and sheep farms, its unspoilt sandy beaches and ancient castles. Slightly further south, the old industries of Tyneside, coal mining and shipbuilding, were in decline and the search was on for new sources of wealth creation.

As I grew up, my inspiration came from my parents, both teachers, who constantly sought to make a difference to each child who progressed through their schools, not just intellectually, but as rounded young people too.

I enjoyed and did well at school, but my inspiration came from sport. Like my dad, I was a runner, inspired by the world record years of Sebastian Coe and Steve Ovett. I trained morning and night in the pursuit of the extra seconds that would give me an edge in the road, cross country or track races each weekend. At my local track, I would watch Steve Cram train. Just a little older than me, he would soon be breaking the records of Coe and Ovett, and becoming World Champion too.

Whilst I didn't have the world record-breaking DNA of my heroes, I worked and dreamed hard. In the years ahead in business, it was my passion, motivation and competitiveness, developed through sport, that drove me to progress, more than any qualifications or training programmes.

After an initial foray into the intriguing but painstakingly slow world of nuclear physics, I got into the more exciting and kerosene-fuelled world of business with British Airways. At the time, 'the world's favourite airline' offered an exhilarating world of global travel, jet set executives and supersonic aircraft.

Nothing beat flying Concorde from London to JFK for a meeting, then returning the same day.

As I progressed through roles at the airline, from market analyst to corporate sales, brand development and market strategy, I was always excited but usually deflated by the narrow ways in which people saw these roles – 'you're an analyst, leave the creativity to us'; 'we don't trust the commercial skills of marketing people'; 'strategists don't understand the practicality of operations'.

I resented the prejudices, putting people into boxes, the blinkered thinking, and was amazed how few people wanted or were able to see the bigger picture, how things could integrate and complement, how analysis and creativity worked together, how strategy had to fuse with action.

And then I read about Coe, and how his coach pursued not just the development of him as an athlete who could run fast but as a 'Renaissance man' who could think too. From Aristotle to

Michelangelo, the greats of the past had been rounded characters, athletic and intellectual, intelligent and imaginative.

As I worked with some of the business giants – American Express and Coca-Cola, Microsoft and Marks & Spencer, Philips and Shell, Virgin and Vodafone – the leaders and managers, brands and businesses that have impressed me most are the ones who see a bigger picture.

They see things differently and do different things. They connect the unconnected, challenge the conventions, look for new opportunities, are not afraid to try new ideas and they have inspiring leaders. They are inspired businesses, with a sense of 'genius' about them.

Intelligence and imagination

What is common about the thinking styles that produced Venice's Sixteenth Chapel and the Theory of Relativity, that gave us penicillin and the World Wide Web?

Academics and philosophers have long tried to bottle 'genius'. Russian scientists, through the analysis of child protégés, claim to have identified the 'genius gene'; whilst others argue that genius is, as Thomas Edison believed, down to hard work: 'One per cent inspiration; ninety nine per cent perspiration'.

However there are some clues as to what drives genius, and its extraordinary results. Whilst genius is often thought to equate purely to intelligence, it is certainly not necessary to have an extraordinarily high IQ, to speak 15 languages by the age of 8 or to master the intricacies of quantum mechanics.

Genius typically involves both intelligent and creative thought, and the combination of the two, to whatever degree, can create so-called 'genius'. From Archimedes to Warhol, Mozart to McCartney, there are some regular characteristics of genius:

Originality that is uncluttered by convention or prejudice

Conscious of what is going on, of patterns and of change

Analytical capability to work through problem logically

Creative to develop hypothesis and articulate new ideas

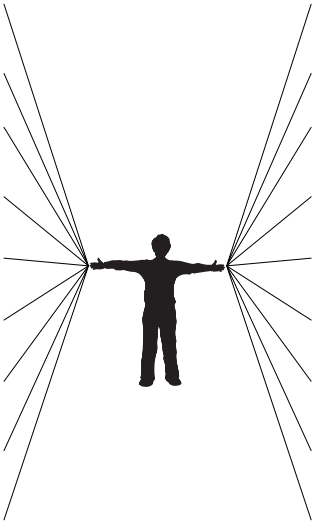
Duality to think in parallel, connect ideas and resolve paradox

Prolific in the generation of many ideas or solutions

Pragmatic in turning radical ideas into practical realities

Visual ability to communicate more holistically and without words

Belief and confidence to challenge and stand up new ideas



Harnessing the enduring simplicity and heritage of **Kikkoman**

Reinventing yourself for today's world with the passion of **Umpqua Bank**

Making investments based on the simple logic of **Berkshire Hathaway**

Stretching and evolving your brand to stay as cool as **Diesel**

Fusing business and the environment to innovate like **GE**

Driving fashion and desire across the world as fast as **Crocs**

Making a difference to people every day like **Tchibo** does

Giving an idea the wings of **Red Bull** to enter new markets

Transforming markets in your own vision like **Apple**

Like Galileo and da Vinci, Einstein and Picasso, genius requires an inner strength of conviction in order to stand by the radical ideas and actions that are at odds with received wisdom, that challenge the status quo, that could easily be compromised on by a lesser willed person. In any walk of life, it is rare for people to immediately like significant change in their surroundings, practices or beliefs. We prefer the safety and convenience of what we know to what we don't. But we gradually see the possibility, the logic and the benefit in different thinking, and we accept it and, eventually, engage in it. A genius reaches out beyond today, and slowly people follow and embrace what is new, different and better.

'Genius' is about applying intelligence in more imaginative ways.

There are many definitions of genius. Whilst some focus on the intelligence aspects of genius, for example the attainment of a high IQ, genius is typically defined as being less about an absolute level of intelligence and more about the application of intelligence in creative ways. Whilst some suggest that one is born with genius, or with the aptitude to achieve it, most argue that genius is primarily achieved through carefully chosen hard work that blends deeper thinking with radical creativity.

Genius uniquely combines these extremes to deliver extraordinary results.

gen·ius

noun pl. geniuses

1 Exceptional intellectual or creative power or other natural ability.

2 An exceptionally intelligent or able person.

3 (pl genii/jeeni-i/) (in some mythologies) A spirit associated with a person, place or institution.

4 The prevalent character or spirit of a nation, period, etc.

Source: *Oxford English Dictionary*

The combination of intelligence and imagination, the connection of opposites, in positive and reinforcing ways, is the source of new insights, of unusual ideas, and of extraordinary results.

Extraordinary results

It is little more than 10 years ago since we wrote letters rather than emails, browsed CDs in the music store rather downloaded our favourite tracks, and relied upon a small number of media channels, retail outlets and brand owners to run our lives.

We now live and work in flux – markets come and go, converge and fragment at unbelievable speed, and in unpredictable ways. Kodak used to be a market leader and is now unsure what market it is in, Google went from zero to corporate hero in a few years, Apple rose from uncertainty and reinvented the world of music, and YouTube became our favourite place to watch movies within months.

Satisfaction and improvement, derivatives and incentives are not enough. Incremental business improvement, maintaining existing revenues, even if it is delivered more efficiently, doing what you've always done, maybe a little better, can be the quickest way to a painful death.

Just meeting existing consumer needs or being a little better than existing competitors is not a recipe for success. Stretching, refreshing and exploiting the brand as no more than a name and logo, putting an advertising gloss on commoditized products, exhorting your sales teams to work harder, or resorting to price competition is a not even a recipe for survival. We need to do more.

It's time to rethink business, to reenergize our own minds too.

Applying the ideas of 'genius' to business requires us to start from a new perspective – from the future rather than today, and from the outside rather than the inside. It also requires us to interpret and apply these new perspectives more powerfully, seeing the bigger picture, making new connections and ensuring that the radical part of ideas are not lost in practical focus of action.

Genius is therefore about fusion – connecting opposites that together are more than the component parts.

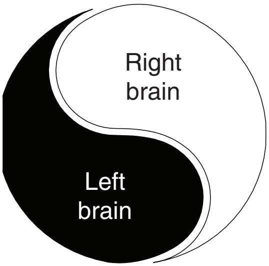
These connections typically bring together a more intelligent and more imaginative approach to business. And given that in recent years, business has typically embraced intelligence more than imagination, it also requires some adjustment, favouring the more imaginative side of the equation.

Genius = intelligence + imagination = extraordinary results.

'Yin' and 'yang' are not alternatives; they cannot exist without each other. They are complementary, they are mutually reinforcing, they are about balance. They are about creating more together than apart. Yin and yang bring together attributes that are rational and emotional, conscious and unconscious. Masculine and feminine.

Business Genius explores the four yin-yang fusions that together deliver a more inspired business, and their implications for individuals and collectively. It then explores how to apply these fusions to the essential disciplines of strategy and innovation, customers and propositions, people and change, which are required to deliver sustained, profitable growth and extraordinary results.

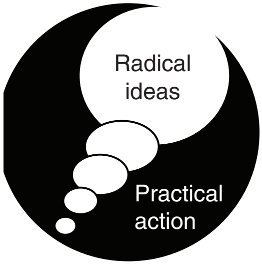
At a personal level, 'genius' delivers a more inspired way of thinking and behaving:



Right brain and left brain. Taking a more thoughtful, creative and holistic approach to your challenges. Embracing new ideas rather than being a slave to numbers. Freeing your creative side, to focus your imagination on what matters most.

Right brain > left brain

Right brain + left brain = holistic thinking

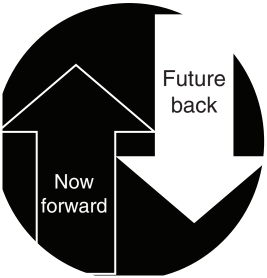


Radical ideas and practical action. Taking a more thoughtful, bolder approach to business challenges. Making the best ideas happen without compromise. Making every action count, ensuring that radical ideas deliver more significant impact.

Radical ideas > practical action

Radical ideas + practical action = dramatic impact

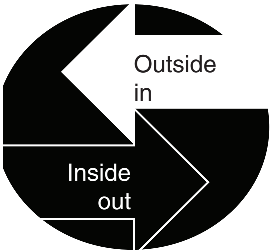
At a business level, 'genius' delivers a more inspired way of planning and operating:



Future back and now forward. Starting from possibilities, unlimited by the rules and conventions, or existing capabilities. Seizing and shaping the best market opportunities before others. Creating tomorrow whilst also delivering today.

Future back > now forward

Future back + now forward = enlightened innovation



Outside in and inside out. Defining strategy based on the best markets, customer needs and competitive difference, rather than what you have always done, or think you should do. Doing business on customers terms rather than your own.

Outside in > inside out

Outside in + inside out = engaged customers

Anyone could be a business genius.

There are no child protégés in the boardrooms, just people who work hard and smart. However, the business world now works by new rules; no longer is it enough or even appropriate to follow the old conventions and etiquettes. Indeed the winners of tomorrow might seem a little crazy compared to the leaders of the past.

The twenty-first century workplace should be an inspirational place to start each day, with markets and innovations unbounded by physicality, full of possibilities limited only by your imagination.

The four yin-yang dimensions will shape the four sections to this book. You can explore how effectively you are currently tapping into them in the *Business Brainscan* at the back of the book, and you can explore them more personally and practically by attending one of the *Genius Live* workshops around the world, or by visiting *The Genius Lab* online.

Go for walks in the mountains like Albert Einstein and break all the rules like Pablo Picasso. Not just occasionally, but as a way of life. See things differently, make new connections, and have the confidence to make your best ideas happen.

'Think different' is what Apple told us in a salute to the people – like Einstein and Picasso, Ghandi and Mandela, Chaplin and Lennon, Ford and Branson – who change things:

> 'Here's to the crazy ones.
>
> 'The misfits. The rebels. The troublemakers. The round pegs in the square holes.
>
> 'The ones who see things differently.
>
> 'They're not fond of rules. And they have no respect for the status quo.
>
> 'You can praise them, disagree with them, quote them, disbelieve them, glorify or vilify them.
>
> 'About the only thing you can't do is ignore them.
>
> 'Because they change things.
>
> 'They invent. They imagine. They heal. They explore. They create. They inspire. They push the human race forward.
>
> 'Maybe they have to be crazy.
>
> 'How else can you stare at an empty canvas and see a work of art?

'Or sit in silence and hear a song that's never been written?

'Or gaze at a red planet and see a laboratory on wheels?

'While some see them as the crazy ones, we see genius.

'Because the people who are crazy enough to think they can change the world, are the ones who do.'

I hope you enjoy this book. I hope it helps and inspires you to see things a little differently, think a little more radically, and in your own way, do something extraordinary.

Be bold. Be brave. Be brilliant.

Peter Fisk

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Right brain, left brain

PART 1

Right brain, left brain

'The test of a first-rate intelligence is the ability to hold two opposed ideas in mind at the same time'

F. Scott Fitzgerald

- The human brain is an extraordinary result of natural evolution, and of course its structure is far more complicated than a simple left-right division. Indeed neuroscience has developed rapidly in the last few decades, and we are continually learning how to interpret our thoughts and actions, and improve them.
- Left and right brain thinking is still a useful metaphor in considering how we think. 'Right brain' is the more 'imaginative' side – subjective, intuitive, holistic and divergent – whilst 'left brain' is the more 'intelligent' side – objective, interactive, analytical and convergent.
- We approach the future of our business and markets with our eyes wide shut. We need to open our minds to the bigger picture – the world around us, what other companies do, what will drive and sustain our growth, and our role in it. This is a right brain opportunity.
- Business has become too focused and mechanical (left brain), not giving enough time and space to think more broadly and holistically (right brain). Of course we need both – left and right brain, intelligence and imagination – but it is the connections between the two that make the difference.
- If we want to succeed in business today – to make sense of our changing and confused, fast and fragile world; to be effective entrepreneurs and business leaders in it; and to create and sustain profitable growth – we need to think with our whole brain, not just part of it.

TRACK 1: FAST GROWTH

Driving and accelerating business growth

'You either step forward into growth or you will step back into safety'

Abraham Maslow

A more **intelligent** approach to **growth** that embraces stronger *left brain* thinking

- Maximize the economic value creation for stakeholders
- Focus on best market, customer and product opportunities
- Add more distinctive value to your products and services
- Strengthen the purpose and competitive position of your brand
- Extend into adjacent categories and markets
- Manage growth as a process and as a diverse portfolio
- Ensure that your growth is profitable, sustainable and creates value.

A more **imaginative** approach to **growth** that embraces stronger *right brain* thinking

- Shape the future in your vision, rather than live by somebody else's
- Identify and capture new market opportunities first
- Disrupt the accepted rules, conventions and business models
- Exploit your intangible business assets in more powerful ways
- Collaborate with different and interesting partners
- Accelerate growth through platforms and accelerators
- Grow your business through 'The Seven Lives of Business'

Growth is easy, isn't it?

Discount your prices and your revenue goes up. Recognizing that you also need to make a profit, you cut your costs and the margins quickly improve. Wanting to drive even more dramatic growth, you acquire another company and you can double your size in no time. But it doesn't last.

Sustaining growth is not easy. Sustaining profitable growth is hard. Creating significant and sustainable growth is the imperative for every small business, and indeed the challenge for every large business today.

Achieving great results creates the expectation that you can do it again and again. You need to sustain it. Investors want to see evidence of the future profit streams that will give them a decent long-term return on their investments. Customers recognize that growing companies are doing something right and want to be part of it. Employees know that growth creates a bigger pie in which they can take a thicker slice.

Yet few companies manage to sustain profitable growth. They appear to reach a stumbling block when they reach the perceived limits of their current world, their existing markets and models, capabilities and ambitions, energy or inspiration.

With their heads down and spreadsheets buzzing, they seek to squeeze more out of their existing markets – an extra point of market share, another derivative product development or a more efficient process, that might secure a slightly greater margin. These things matter, but they don't create growth that is significant and sustainable.

The obsession with doing more of the same, through optimization or small improvements, is a significant obstacle growth. Fractions of market share or profit margins will help, but won't make the real difference. The danger is that we plough the same furrow, exploiting what we know best, delivering the same products, doing what we have always done slightly better.