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# NINCOMPOOPERY



why  
your customers  
hate you—  
and how to  
fix it

A PDF COMPANION TO THE AUDIOBOOK

CHAPTER 2

**Innovation:**

*What Is Innovation, Anyway?*

## Anti-Nincompoopery Planning: Innovation

Remember <i>This</i> .	Then Ask Yourself <i>This!</i>
Customers are more stressed than ever.	How can we make our customers' lives simpler, happier, less stressed, and more productive by removing or solving multiple issues with a single solution?
<b>Big Innovation Job #1</b> <i>Leverage delivery and logistics for competitive advantage.</i>	How can we use delivery and logistics to separate ourselves from the competition?
<b>Big Innovation Job #2</b> <i>Partner with customers by offering business expertise in creative new ways.</i>	How difficult is our organization to work with?  How well do our management and information technology (IT) systems integrate with those of our customers?  What business expertise, even if not directly related to our product or service, can we offer?
<b>Big Innovation Job #3</b> <i>Incorporate data and information into your value proposition.</i>	What information or new products might our customers use or buy, if we simply asked them?
<b>Big Innovation Job #4</b> <i>Offer value or solution bundles.</i>	Where can we create new value by cutting our customer's to-do list in half—solving two, three, or ten of their most irritating problems at once?
<b>Big Customer Value Question #1</b> <i>What do our customers and competitors think that they know about value in our industry, but is actually completely wrong?</i>	What are the biases and received wisdom about customer value in our industry?  What great value, service, or innovations do our customers enjoy in unrelated industries that they wish we would replicate in our industry?
<b>Big Customer Value Question #2</b> <i>What problems do our customers experience in their everyday lives that we could solve, if only we knew about them?</i>	How can we make sure that every employee—from CEO to frontline worker—spends at least some time with a customer at least once per year?

CHAPTER 3

**Talent:**

*Who's Going to Do All This Stuff?*

## Anti-Nincompoopery Planning: Talent

Remember <i>This</i> .	Then Ask Yourself <i>This!</i>
In decentralized management structures, with decision-making close to the customer, nothing matters more than how well our employees are trained, especially during what McKinsey & Company calls the “moment of truth.” <sup>47</sup>	How smart, creative, and reliable do you want your employees to be?
<b>Big Talent Job #1</b> <i>Hire well.</i>	How will we evaluate the talent we have and find the new talent we need?
<b>Big Talent Job #2</b> <i>Train, train, train.</i>	How many hours do we train each employee annually?  Do we train only for technical skills, or do we include other skills—communications, collaboration, improvement methodologies, etc.—that create great teams and a great work environment?
<b>Big Talent Job #3</b> <i>Get the hell out of the way.</i>	How can we set up our employees in the right decentralized management structure, with the right training, and the right authority to make decisions (i.e., lots)?
Leading companies recruit for <i>smarts, diligence, and caring.</i>	How different would your company be with the right employees?  More importantly: What qualities would the right employees have?
Great companies build a Talent Machine, based on reflection and analysis, planning, and execution.	Who do we need?  How will we find, train, and deploy their skills?  How will we make sure that they’re successful throughout their careers?
Training matters, but culture and education matter more.	How will you create a culture in which employees are treated like partners, because information, decision-making, and the rewards of success are shared with them?

CHAPTER 4

**Process:**

*Hey, Let's Talk Process! Wait . . .*

*Where Are You Going? Come Back!*

# PROCESS FLOWCHART GRAPHIC



## SWAG PROCESS



# VALUE CREATION TABLE

Line Number	Value Creation Step 1	Value Creation Step 2	Value Creation Step 3
1	<i>Quality rate:</i> _____ percent	<i>Quality rate:</i> _____ percent	<i>Quality rate:</i> _____ percent
2	<i>Quality plus (+)/ minus (-) rating:</i> _____ percent	<i>Quality plus (+)/ minus (-) rating:</i> _____ percent	<i>Quality plus (+)/ minus (-) rating:</i> _____ percent
3	<i>Process time:</i> _____ seconds/ minutes/hours/etc.	<i>Process time:</i> _____ seconds/ minutes/hours/etc.	<i>Process time:</i> _____ seconds/ minutes/hours/etc.
4	<i>Process time plus (+)/minus (-) rating:</i> _____ percent	<i>Process time plus (+)/minus (-) rating:</i> _____ percent	<i>Process time plus (+)/minus (-) rating:</i> _____ percent
5	<i>Total time:</i> _____ seconds/ minutes/hours/etc.	<i>Total time:</i> _____ seconds/ minutes/hours/etc.	<i>Total time:</i> _____ seconds/ minutes/hours/etc.
6	<i>Total time plus (+)/ minus (-) rating:</i> _____ percent	<i>Total time plus (+)/ minus (-) rating:</i> _____ percent	<i>Total time plus (+)/ minus (-) rating:</i> _____ percent
7	<i>Net value plus (+)/ minus (-) rating (add lines 2, 4, and 6) = _____</i>	<i>Net value plus (+)/ minus (-) rating (add lines 2, 4, and 6) = _____</i>	<i>Net value plus (+)/ minus (-) rating (add lines 2, 4, and 6) = _____</i>

## Anti-Nincompoopery Planning: Process

Remember <i>This</i> .	Then Ask Yourself <i>This!</i>
<p>Look at your company through your customer's eyes.</p>	<p><b>Research &amp; Development:</b> How do we imagine, innovate, and design great new products and services that customers can't wait to buy?</p> <p><b>Procurement:</b> How do we find and source all the materials, components, supplies, talent, and technology required to create great products and services?</p> <p><b>Administration:</b> How do we manage all the boring but incredibly important back-office stuff that allows for the creation of great products and services (i.e. finance, human resources, maintenance, etc.)?</p> <p><b>Logistics:</b> How do we coordinate shipments of all the stuff we procure to the right places (our offices, stores, plants, etc.), and then deliver great products and services to customers, with as little stress as possible?</p> <p><b>Sales &amp; Marketing:</b> How do we make customers aware that we have great products and services, and then facilitate purchases in ways that create new value for customers?</p> <p><b>Production &amp; Performance:</b> How do we build great products and services with quality and speed?</p> <p><b>Service &amp; Support:</b> How do we stay with customers after the sale to make sure that great products and services do what they're supposed to do, and make our customers' businesses more profitable or their lives better?</p>
<p><b>Big Process Job #1</b> <i>Fix or kill.</i></p>	<p>At which of the functions above are we terrible?</p> <p>Can we change the process?</p> <p>Can we change (improve or remove) the people managing the process?</p> <p>Can we get rid of the process altogether, by finding someone else to do it for us (outsourcing)?</p> <p>Can we quit the process altogether by exiting that product or service or process?</p>

Remember <i>This</i> .	Then Ask Yourself <i>This!</i>
<p><b>Big Process Job #2</b> <i>Improve.</i></p>	<p>At which of the functions above are we okay or only sort-of-okay?</p> <p>How can we improve the process, or least stop irritating our customers quite as much?</p>
<p><b>Big Process Job #3</b> <i>Excel.</i></p>	<p>At which of the functions above are we great?</p> <p>How did we get great at this process in the first place?</p> <p>How can we become even greater?</p>
<p>Measure, measure, measure!</p>	<p>Do we have effective internal measures of our key process steps? How can we get them?</p> <p>Are effective external comparison measures of our key process steps available? How can we get them?</p> <p>If we can't get effective external comparison measures of our key process steps, can we SWAG (Scientific Wild-Ass Guess) at them?</p>
<p>Validate, validate, validate.</p>	<p>Do our customers really value the process we're about to improve?</p>
<p>Only <i>you</i> can prevent customer rage.</p>	<p>How will we handle inevitable screw-ups with customers?</p> <p>What is our process for when things go wrong?</p> <p>How can we leverage new technologies to help mitigate customer frustrations, and create customer delight?</p>

CHAPTER 5

Getting Started:  
*Obstacles and Opportunities*

## Anti-Nincompoopery Planning: You

Remember <i>This</i> .	Then Ask Yourself <i>This!</i>
You can always find somebody to tell you you're wrong.	<p>Who on my team are members of:</p> <p><b>The Woe is all of us club:</b> Nothing will ever change, and you are just wasting your time.</p> <p><b>The Woe is you club:</b> You don't know enough, you've only been here for X years, etc.</p> <p><b>The Woe is change club:</b> Okay, maybe that could work, and maybe I could even like that change, but . . . that would be hard. How could you/we ever do that?</p>
Resistance to change is normal, and often healthy.	<p>How can I create the conditions for change to be <i>possible</i>?</p> <p>How can I design incentives that make people more likely to <i>choose</i> change?</p> <p>How will I identify and remove those who actively <i>sabotage</i> change?</p>
<b>Big Requirement for Change #1</b> <i>Security.</i>	<p>How will I communicate that the uncertain nature of change means that I will not be able to give everyone the answer they want <i>now</i>, which is how this will change their job in the <i>future</i>?</p> <p>How will I remain empathetic while being clear, concise, and transparent?</p> <p>How quickly can we make change happen?</p>
<b>Big Requirement for Change #2</b> <i>Relationships.</i>	<p>How will I help my team manage the uncertainty that change brings into their lives?</p> <p>How will I help them manage this uncertainty <i>operationally, emotionally, and socially</i>?</p> <p>How can I create an environment in which employees can speak up, and feel heard and respected?</p>

Remember <i>This</i> .	Then Ask Yourself <i>This!</i>
<p><b>Big Requirement for Change #3</b> <i>Meaning.</i></p>	<p>How will I outline a compelling need for change, and an equally compelling vision of what the future will look like?</p> <p>What will the change <i>be</i>, what it will <i>require</i>, and what will the <i>future state</i> look like?</p> <p>What are the values and principles by which we will live as change happens (such as transparency, inclusiveness, commitment to principles, etc.)?</p>
<p>The last and biggest obstacle to change is <i>You</i>.</p>	<p>Do I believe enough in <i>myself</i> to lead this change? If not, why?</p>
<p>You already know everything you need to know to be a leader.</p>	<p>What am I waiting for? Why?</p>

AFTERWORD

Nincompoopery  
Macro Trends:

*Why Is It So Ridiculously Hard  
to Be a Leader These Days?*

# Anti-Nincompopery Planning: Why Is It So Ridiculously Hard to Be a Leader These Days?

Remember <i>This</i> .	Then Ask Yourself <i>This!</i>
<p><b>Big Leadership Trend #1</b></p> <p>We are in the middle of a very long, very strange economic recovery that has fundamentally altered the psychological outlook of business leaders.</p>	<p>Is our team or company averse to risk or change?</p> <p>Is our team or company ready to manage in an era of accelerating change—when new ideas and business models can emerge quickly from anywhere around the globe, undermining established market positions?</p>
<p><b>Big Leadership Trend #2</b></p> <p>A data-fueled productivity explosion has profoundly impacted labor markets and employees.</p>	<p>Have we found and trained employees who can assimilate, interpret, and act upon a continuous flow of information?</p> <p>Which regions and markets will innovations in data-fueled productivity allow us to enter?</p> <p>Are we leveraging technology to optimize profitability?</p>
<p><b>Big Leadership Trend #3</b></p> <p>Workforce demographics are rapidly changing, thanks to improved health care and longevity.</p>	<p>How will we find the talent we need as baby boomers retire and skills shortages increase?</p> <p>How will we find, train, compensate, and retain the best talent—regardless of age, color, or gender?</p>
<p><b>Big Leadership Trend #4</b></p> <p>Employees have different expectations for how their work lives are structured and managed in a digital era.</p>	<p>How will we create a productive environment with healthy boundaries and balance between employees' work and personal lives?</p> <p>How will we make sure technology improves focus, creativity, and productivity?</p> <p>How can we leverage social media to connect meaningfully with employees, customers, and other stakeholders?</p>
<p><b>Big Leadership Trend #5</b></p> <p>These economic and social trends have also led to fundamental changes in the social contract between employers and employees.</p>	<p>If we can no longer offer lifetime employment and pensions, what can we offer as a new social contract to employees?</p> <p>How can we become an employer of choice?</p> <p>Which specific programs could benefit both employees <i>and</i> our company (e.g., training, tuition reimbursement, formal mentorship programs)?</p>
<p><b>Big Leadership Trend #6</b></p> <p>A rapid increase in official and <i>de facto</i> regulations across international, national, and regional jurisdictions in recent years has significantly complicated leadership.</p>	<p>How will we manage the increasing complexity and cost of compliance with official and <i>de facto</i> rules, regulations, and requirements?</p> <p>How will we ensure that our company meets not only explicit regulatory requirements but implicit moral and reputational requirements too?</p>