

Playbook for 2009

Business Philosophy | Guiding Principles | Lessons Learned

Business Philosophy:

- The way an enterprise does business is as important as the business it is in.
- Successful enterprises have a sense of purpose grounded in Vision, Mission and Values.
- Incentive compensation systems must reflect known business goals and objectives.
- We can't manage what we don't measure.
- Control what you can and anticipate what is not under your control; look around corners and have the courage to seize opportunity.
- Any business enterprise must be viewed and managed by its leaders as an integrated whole.
- When the going gets rough, maintain a positive outlook and wear a brave face; but never attempt to hide reality from your employees as you will surely undermine your own credibility and your ability to lead.

Guiding Principles:

- Manage Conflict; it won't resolve itself if ignored.
- Time matters; act with urgency.
- Looking inward, solve for the greatest good of the enterprise; Looking outward, put the customer first.
- Benchmark for success; against competitors' best practices and against commitments made to all stakeholders - - fellow employees, customers, suppliers, partners and investors.
- Value both individuality and teamwork; innovation often comes from individuals pursuing their ideas but success is tied directly to the ability of people to work as a team.
- Keep Character; if you think people aren't watching you, you're wrong.

- Spend Other People's Money the way you spend Your Own Money.
- Treat your employees with care; scared chickens don't lay eggs.
- Keep your commitments
- Avoid surprises
- Don't handle dead snakes; once you've moved beyond an investment or discarded an initiative, let it go.
- Promote the power of "And" / Defeat the tyranny of "Or"
[It should never be a choice between releasing a new product on time "Or" adhering to quality standards; it has to be on time with quality! It is not a choice between increasing top line growth "Or" controlling costs; it has to be both. Etc.]

Lessons Learned:

- Always try to reduce complexity; it is the enemy.
- Innovation is often born of constraint.
- Take personal responsibility; set standards and demonstrate your commitment to the greater good of your organization.
- Hold yourself and others accountable for their actions and results.
- Don't expect what you don't inspect.
- There is no substitute for intellectual honesty.
- Invest, don't spend.
- Our fate, ultimately, is in "How" we do things.
- What goes around comes around; if you live by the sword you'll die by the sword.
- Top Fifteen List of what's important for you to "Know"
 - 1) The Charter of your organization.
 - 2) What's core to your business success.
 - 3) What's critical to quality from your customer's perspective.
 - 4) The business context/climate in which you are operating.

- 5) What's "in scope" and What's "out of scope" for the project on which you are working; don't bite off more than you can chew and after that, watch out for scope creep.
- 6) Who are your Friends and who are your Enemies.
- 7) Your Cost Drivers; drive them down without compromising quality.
- 8) The difference between Right & Wrong; Integrity is everything.
- 9) Your Values; consider them the light to guide you in the dark and your compass when you are in the woods and need to find true north.
- 10) What makes you Happy!
- 11) The value of your time.
- 12) Your own limitations and limits; we are all human.
- 13) Your "Place"; you've got to have a sense of time and place.
- 14) Your "Stuff"; Hey, you've got to know how the business works, you've got to know your product line, and you've got to know what you are doing.
- 15) What's Really important; don't sweat the small stuff.

**One more thing: People don't care how much you "Know"
until they know how much you "Care"**