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Introduction



A business is only alive to the extent that there is commitment.

This can be said of the individual elements of any business—the products, the services, the people, the customers, the culture, the story, and the brand. It is, however, how these elements come together and collectively generate commitment that is the ultimate marker of success.

But what is commitment in the context of a business?

It is an elusive quality, nameless in most businesses, and exhibits itself most prominently in the areas of strategy, culture, and community. There is no one device that activates commitment, no one idea or mission statement, but it is intentional, and you can feel it in the people, ideas, processes, and stories in companies that have it.

In order to bring commitment to life, it's essential first to gain clarity—to define it and understand how to use it to bring order out of chaos, and how to nurture and grow it with every action and interaction.

The most critical aspect of commitment is that it cannot be manufactured quickly. It must be carefully cultivated and cared for, just as a tree can only come from the careful nurturing of a seed.

In this book, I'll go as far as to suggest that the search for this

thing I call commitment is the central theme of our lives as well as the one timeless way of creating a business that is fully alive.

Without commitment, there is very little reason to start an endeavor, let alone toil away day after day in an attempt to fashion something substantial from the seeds of an idea.

Passion alone isn't enough.

Let me be perfectly clear before I go any further with this idea. It's not enough for *you* to be committed, although this is certainly a vital element, but to build the kind of business this book addresses, it is perhaps even more important that you are able to generate commitment for your ideas, your values, your story, your products, your services, and your way of doing and being in all of the various groups of people that make up your businesses ecosystem.

In short, you and your business must become a commitment engine.

Some people are committed to a business because they have no choice; they mortgaged their house and have a child in college. While that might get you up and out of bed each morning, it's not enough to create something spectacular.

The businesses that enjoy commitment the most radiate and generate loyalty by awakening a sense of internal purpose first and foremost. These businesses then draw from a collection of definable core characteristics both internally and externally. These same characteristics exist in every business to some extent, but the level of personal intention acts as a potent measure of the degree of commitment one company enjoys over another.

These guiding characteristics come to life in the form of habits and define the business through the actions they take when they execute strategy, express culture, and create customer experiences.

This book explores the characteristics of commitment, both yours and your ability to generate it, in order to demonstrate how to build a business that is totally alive through tools that already exist in every workplace: clear strategy, culture, and community.

Teaching Your Business to Manage Itself

Have you ever encountered a business where everything felt effortless? The experience was perfect, and the products, people, and brand worked together gracefully. You made an odd request; it was greeted with a smile. You went to try a new feature; it was right where it should be. You walked in, sat down, and felt right at home.

At first, building a business can seem a bit like playing with a giant set of LEGOs scattered all over the room. There are countless pieces that might fit together, or they might not, and success depends on using these fragments to create something cohesive that resembles a normal shape or structure.

But here's the thing: Normal is a trap. Normal is the business you ran from to start something new. Normal is the last three ventures that choked and sputtered and collapsed under the weight of management. Normal is a poor version of your ultimate goal.

Businesses that run so smoothly as to seem self-managed aren't normal. In fact, they are terribly counterintuitive, but terribly simple as it turns out. The key is to focus all your energy on only three things: clarity, culture, and community.

CLARITY

Until you are perfectly clear about the one thing your business does better than anyone else, and perhaps more important, the high payoff behaviors that you, as the owner of the business, must spend as much time as possible immersed in, you will have a very difficult time creating something that is graceful and effortless.

Until you can feel why you do what you do best and use that as your guide, the road ahead will always be uncharted.

When you have clarity, everything becomes simple. The solutions to difficult decisions will suddenly seem obvious because you have created the perfect filter and the filter runs the business.

CULTURE

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Every business, regardless of its size, has a culture. The only question is whether or not the established culture serves the business and the people who come to work there. If a business is to manage itself, then a culture of ownership should be the sole objective. This must come at the expense of hierarchy and the assertion of autonomy.

I've worked with business owners for years now, and in my experience, control, or the inability to hand over control, is the greatest threat to growth. Until a business owner can extend trust to those around him and give up control, there will be little more than constriction and contraction.

This means that you must also be able to communicate your sense of clarity and purpose, and present a set of core values that become the road map for culture and the mantra for "this is who we are."

COMMUNITY

There was a time when the term *community* referred to only the customer. Today the community includes customers, employees, mentors, vendors, advisers, and even competitors conspiring to advance and influence the business ecosystem.

When you have a clear picture of what the business stands for and the people who fill in that picture are given the freedom to manage their results, the natural outcome is a strong, vibrant, and supportive community.

A fully alive, self-managed business is little more than the sum of these parts brought together through a clear purpose.

This book is divided into three distinct parts: the Path, the Patron, and the Promise.

In the **Path**, we'll explore your own sense of clarity and passion, the higher purpose of the business, and the strategies you'll employ

to bring purpose alive in your work. You'll also explore the characteristics of what I call real-life marketing strategy. This is the foundation of a committed business.

In the **Patron**, you'll see how these characteristics are shaped into a culture in the hands of a supportive leader and how commitment is then fueled internally. At this point it may actually become unclear whether strategy creates culture or if, in fact, it's the other way around.

In the final section, the **Promise**, we'll explore the idea of creating an environment where your customers experience the characteristics of commitment in an effort to generate the kind of everyday commitment that's necessary to foster extreme customer loyalty, community, and word of mouth.



Part 1

The Path:
Clarity

1

Clarity Over All



Jason Fried, cofounder of the software developer 37signals, knows a thing or two about commitment. As any software developer can tell you, it takes real perseverance to make a product that does exactly what someone needs, nothing more and nothing less.

There's always more you can add and more you can make the program do, simply because you have the capability. For Fried, the commitment to clarity is the most important issue in his business. In fact, Fried and the folks at 37signals fret over clarity in a way that has turned it into perhaps their single most important reason for being in business.

“A lot of people talk about our products being simple, and what they really are is terribly clear. We obsess over making everything obvious, even though what it does may in fact be rather complicated,” Fried explains.

But first a little background.

In 1999, Fried, Carlos Segura, and Ernest Kim started a Web design firm called 37signals in Chicago out of a desire to, in the words of Fried, “build cool stuff with other people.”

In 2003, the company brought in David Heinemeier Hansson to develop a project management tool for managing design projects.

After trying out their homemade tool on behalf of their clients, it became clear that their real mission was to build and deploy a world-class project management system. That next year Basecamp was launched.

Now with over 3 million users and a suite of software applications, this highly profitable company has clearly become a success story.

But what is the secret behind the success of 37signals?

According to Fried, his thirty-person company is consumed by the desire to build tools that people can't imagine working without. This is their purpose and it's created an immense sense of clarity and drive for everyone involved.

Clarity of Purpose

There are so many important ideas and concepts in business. Things like strategy, purpose, and passion are integral to success, but none of it really matters without one ingredient: clarity.

Clarity is that strong and unwavering sense that our daily choices are grounded in an authentic purpose. Clarity is how we create a sketch of something worth asking others to complete. Clarity forces us to ask the right questions.

Without clarity, everything we do is either an attempt to gain it or a stab at moving in the right direction.

Almost every business I've ever worked with, including my own, has struggled with this idea. Until we have total clarity and are inspired by why we do what we do, whom we do it for, and how to do it with complete and utter honesty, little else matters.

Clarity does not emerge by simply switching on a clear and guiding light. No, it comes when we find a rusty but sturdy lamp in the basement of an old house. A little more comes through when we take the time to bring the lamp into the light of day and clean it up. Then, only through careful tinkering and polishing, this lamp begins to cast a flicker of light.

As we continue to restore our find, something truly brilliant begins to evolve.

With clarity, comes control. With clarity, comes grace. With clarity, comes joy.

Finding and maintaining clarity takes work. It takes an unbending willingness to see things for what they really are. To base decisions on what might be best for others. To understand how to create the products and services our customers really need.

Clarity is both a feeling and a direction. It can be experienced and seen. It is at the same time perfect simplicity and obvious complexity. Clarity inspires us and those around us.

But what is it exactly?

For the answer, I'll return to 37signals.

“People often try to make things that are simple, but sometimes you need things that do complex tasks—the trick is to make the complex clear,” says 37signals cofounder Fried.

It's an obsession over every element in the product. Is it clear what this button does? Is it obvious what this tab is for? Does the user know what to do next?

The idea of clarity then runs through every element of the business; it's embedded in the way they talk about their products, market their products, hire new associates, arrange the desks in the office, and even how they price their offerings.

“We want to be very clear about every aspect of our business and it's something that we have to do as leaders by example,” explains Fried.

Clear Intentions Define Commitment

Most businesses are started with the acquisition of a customer in mind and eventually, often through toil and trouble, get around to figuring out how to serve the needs of the owner. I get that; there is no business without a customer.

One of the goals of tackling a wide-ranging topic like commitment is to flip the traditional “get customers first” business model on its head by suggesting that first and foremost a business must be started and grown with the goal of serving the owner’s original intention and passion for that particular business.

If a business created in this fashion can then link that intention to a single-minded business purpose, even a purpose seemingly unrelated to the actual product or service, and then use purpose to make a business where people can become fully alive, the only logical end is a loyal, committed customer.

What I suggest is that there is one true committed way to build a fully alive business. There are, in fact, countless ways to build a business, but my contention is that there are common elements, practices, and patterns visible in the fully alive, commitment-filled business that I will discuss throughout this book.

Meet the “Four P’s” of a Fully Alive Business

In order to have total and complete clarity in your business, you also need to be clear on how marketing fits into your overall plan. After all, marketing in its fully realized sense pervades every element of a business in the same way that commitment does. Before we move on, I’d like to introduce a commonly accepted marketing concept to explain one of the elements that is central to the idea of commitment in business.

Using the broadest definition of the term, anything that has even the slightest impact on a customer or prospect is considered marketing. Having a clear understanding of how to combine the notion of commitment with marketing is essential to your success.

Back in the early 1960s, a University of Michigan professor named E. Jerome McCarthy coined the term the *Four P’s* as a way to describe the essential elements of the marketing mix. Since then, all first-year marketing students have been taught to think in terms of product,

price, place, and promotion as they analyze case studies of companies real and imagined.

Much has changed in the last fifty years, including what a product really is, what place entails, how package plays a role, and pretty much everything about what promotion looks like.

In fact, the very definition of marketing has changed dramatically enough to render the original Four P's somewhat useless as a foundational marketing and business strategy concept.

Today's most important business and marketing directive is to build trust. Creating engagement, connections, and stories are the new forms of promotional art. Price is a function of value and place has become bytes and ether more often than a shelf in a store.

There is a home for the Four P's in today's business, but it's in the very mortar of the business and the story of its people rather than in a department on an organizational chart.

The Four P's are now more about how a business is experienced than what it sells. They reside in the characteristics that turn commitment into culture and culture into a customer.

The following elements redefine the Four P's for the fully alive business, and further make the case that every business is really a marketing business.

Passion

The first element in a fully alive business is the passion for living that the owner of the business brings to the workplace. Good things happen when the founder of a business can serve his own personal passion and purpose by growing the business.

Your business can be the tool that allows you to live your passion or it can be the vehicle that produces the time, connections, and money that allow you to embrace the "other thing" you know you're meant to do.

Kevin Rains, the owner of Center City Collision, an auto body shop in Cincinnati, freely admits that he bought the company solely

as a means to grow his family, reinvigorate his community and neighborhood, and invest money in nonprofits locally and beyond.

According to Rains, his business has grown eightfold over the last eight years due in part to his reinvestment in his local community that includes support for the local service league, a community garden, founding a local rugby league, and buying and renovating three abandoned buildings to house businesses and provide low-income housing.

The business has also allowed him to adopt three children from a special-needs orphanage in Colombia.

Rains's passion is for service and the community, and his business is the tool that allows him to live out his purpose.

The leader of a business must have a great sense of passion for his work, but he also must be able to connect that passion with a purpose in order to bring out the desire to commit in others. Leading with passion is how to put yourself out there and do what you were meant to do.

Purpose

Purpose is how a business defines why it does what it does. It is the reason people are drawn to work in a business, it's the reason they come to life inside the business, and it's the reason customers commit to and become loyal ambassadors of a brand.

Purpose builds trust between a business and its employees and customers because it allows people to see their own values in action in support of something they strongly believe in. A weekly paycheck, an important promotion, or a great deal on a cool product doesn't invoke much in the way of purpose. You have to go beyond the obvious.

Mary and Tony Miller, co-owners of Jancoa, had a people problem. Their successful janitorial service, located in Cincinnati, had more work coming in than they could handle. Their problem, however, wasn't the result of great marketing generating customers; it was because they couldn't find and keep committed employees. The

Millers started each day about thirty full-time employees short and scrambled all day to get the work done as promised.

They found themselves hiring over fifty new people a month and enduring an industry norm of around 400 percent turnover. One weekend they decided to go to a bookstore and find everything they could about hiring and retaining employees.

One nugget they latched on to was a suggestion that they find and fix the hurdles employees and potential employees faced in order to stay on the job. To that end, Tony decided to buy a van and provide employee transportation between jobs.

While the van didn't solve all their problems, after several weeks of driving through the neighborhoods where his employees lived, the Millers realized that while many of their employees lacked transportation, what they really lacked were hopes and dreams. In their view, life and living and lack of opportunity had robbed them of hope.

Jancoa decided that its "people problem" was really a dream problem and they set out to center the company on its people and their dreams. They began to invest in ways to make employee housing more affordable and promoted GED and college tuition programs.

They even created a program called the Dream Manager and started making dreams and dreaming bigger a part of the everyday culture and language of the company.

Mary Miller tells it like this: "When people decide to go after something bigger, magical things happen. We could have never predicted this to be the outcome, but what we discovered firsthand was that we were able to change the quality of life of our people by changing their view of the future.

"People don't dream about entering the cleaning industry, but now they come to work for us and we tell them give us your best three to five years and we'll help you work your way out of a job."

Jancoa's turnover is down by 45 percent and their Dream Manager program has been chronicled and emulated by organizations large and small around the globe. Over the past few years, Jancoa has grown to a company with more than three hundred employees and annual sales exceeding \$10 million.

The Millers found their purpose and passion almost by accident, but they knew it when they saw it. Jancoa is now a “build people up” business disguised as a janitorial service.

Joining a purpose-filled business that is on a journey to create joy, change an age-old industry, innovate, or just do a great deal more of the right thing is more like joining a cause, and people will do some remarkable things in support of their cause.

(Value) Proposition

Organizations that understand the power of purpose also understand that their unique purpose is what they need to promote as their reason for being, their core difference from their competitors, and use it as a positioning tool in the market on a daily basis.

In fact, brands that start with purpose over product can effectively enter almost any market with the same value proposition and compete with entrenched category leaders. It’s become cliché to cite Apple as an example, but this computer company routinely blows competitors away in any market they enter. MP3 players and mobile devices are just two categories they entered and dominated even though they were originally a computer company.

The beauty of creating a value proposition in this manner is that it’s not about putting something out there that paints your business in a positive light; it’s about doing things consistently that allow you to serve your purpose while helping others get what they want, even if it’s unrelated to what your business does.

Matt Brown is an insurance producer in west central Ohio who works at his family’s agency. His is a business that’s often driven by price, but those who excel understand that it’s about building relationships by giving value first.

Matt’s customers are mostly small-business owners, so he speaks at local clubs about social media and helps these organizations understand the process and philosophy of the medium: it’s not about self-promotion, it’s about giving freely.

He then offers to send them a tip every week via his e-mail

newsletter. Funny thing is, he doesn't ever really talk about insurance and yet he's developed a following of small businesses that look forward to his helpful hints each week.

He serves his purpose of helping small-business owners grow by positioning himself as the insurance agent who provides value far beyond what a typical agent would consider is their role.

As Brown says, "My purpose is to help you produce more. My Web site is specifically designed to be a lead generator by giving away value in exchange for a person's attention. And I continue to live out my purpose by sending my subscribers value each week.

"When it's time for these small businesses to renew their insurance policies, I'm the agent they call," he says.

Personality

The final P is how a business uses desirable human characteristics or personality traits as a vehicle to allow everyone who encounters the business to experience and commit to its purpose.

It's one thing to state your purpose on a plaque or marketing brochure, but it's another thing entirely to live by a tangible set of daily habits, language, and processes that offer proof of that purpose.

We are drawn to people and experiences that are simple, inspirational, convenient, innovative, playful, community-oriented, and filled with surprise. These are the personality traits that a fully alive business incorporates into their everyday language.

These traits act as the filter for every decision, and help decide how the business is run internally and how the brand is experienced externally.