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How

Why How We Do Anything Means Everything...in Business (and in Life)

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Preface

This is a **HOW** book, not a *how-to* book. What's the difference between *how-to* and **HOW**? Everything.

In the twenty-first century, it isn't what you do that matters most. In fact, if you line up all the winners in business today, you will notice that few win anymore by what they make or do. If you make something new (or just better, faster, and cheaper), the competition quickly comes up with a way to make it still better and deliver it at the same or even lower price. Customers instantly compare price, features, quality, and service, effectively rendering almost every what a commodity.

This is not just true of businesses; to a large degree, the same holds true for the way individuals get ahead and accomplish their goals. Specialized knowledge or expertise differentiates you for a moment in time, but it likely won't carry any of us through an entire career. Changing jobs, companies, and even industries now often involves adapting knowledge skills to a new set of conditions.

Yet, the drive for differentiation—personal, professional, and organizational—lies at the heart of all our business endeavors (and many of our personal ones as well). We all still want to stand out, to be bold, to be uniquely valuable, to distinguish ourselves from the competition, to do things others can't copy, and to be number one. We always will. But in a commoditized world, we are running out of areas in which to do so.

There is one area where tremendous variation and variability still exist, however. One place that we have not yet analyzed, quantified, systematized, or commoditized, one which, in fact, *cannot* be com-

moditized or copied: the realm of human behavior—*how* we do what we do.

Think about it. If you make stronger connections and collaborate more intensely with your co-workers, you can win. If you reach out and inspire more people throughout your global network, your productivity skyrockets. If you keep promises 99 percent of the time and your competitor keeps promises only 8 out of 10 times, you can gain critical advantage in the marketplace. If your interactions with others deliver a more meaningful customer experience, you engender a loyalty that brings them back again and again. When it comes to *how* you do what you do there is tremendous variation, and where a broad spectrum of variation exists, opportunity exists. The tapestry of human behavior is so diverse, so rich, and so global that it presents a rare opportunity, *the opportunity to outbehave the competition*.

The world today, powered by vast networks of information, connects and reveals us in ways we have only just begun to comprehend. Groundbreaking technological advances have put us in intimate contact with others about whom we often know little and understand even less. As a result, many of the tried-and-true ways of working together and getting ahead no longer apply. These same advances have also given us unprecedented power to see through the walls of organizations and evaluate not just what they do, but how they do it. I've come to believe that the innovations of the twenty-first century will come not just in new products, services, or business models and strategies, but in new ways to create value and differentiation, innovations in *HOW*. The best, most certain, and most enduring path to success and significance in these dramatically new conditions lies not through raw talent and skill, but through behavior over time. This book illuminates the power and possibility of this very simple idea.

Who am I to be telling you this? I'm a businessman, and I've come to understand this after a 13-year entrepreneurial journey that has given me hands-on experience working with people from the shop floor to the boardroom as founder and CEO of LRN Corporation, a company that helps global enterprises of all sizes learn to win through *HOW*. My journey started modestly enough, as many such business journeys do. In college and graduate school, I studied philosophy, and then went to law school. After I graduated, I spent time working in a private law firm. Toiling away in the law library, it dawned on me that someone

somewhere had researched the very issue I was working on, and inevitably knew more about it than I did (which was zero). I saw an opportunity to make legal knowledge accessible to a large number of people in business at a low price, so I built a network of the finest legal minds that could deliver expert knowledge in a far more efficient, democratic way. In short time, the business flourished, and we found ourselves helping some of the largest companies in the world confront their legal challenges and manage their risk.

I soon realized, however, that the core of our efforts lay in helping our partners put out fires by responding to legal challenges that had already arisen. I began to believe that we could be of better service by helping them design and build fireproof buildings, to help them develop a new approach to getting their *HOWs* right and prevent these legal problems from arising in the first place. So we evolved as a company.

For a while, it often felt like we were selling vitamins to companies whose leaders did not realize they could get sick. Then a series of corporate scandals hit, and suddenly we found ourselves in the middle of a global discussion. The University of California at Los Angeles (UCLA) invited me to give their commencement speech, convinced that the power in *HOW* was the most practical message their graduating class could hear. The U.S. Federal Sentencing Commission asked me to testify about new ways of achieving higher standards of conduct and responsibility in business as they considered revisions to the Federal Sentencing Guidelines. The phone started ringing and the e-mail began to pour in from companies that realized there was an epidemic going on and they could catch it at any time. I was on TV, traveling the country, and speaking to corporate boards and employee groups of some of the biggest, most venerated companies in the world. LRN quadrupled in size.

Suddenly, it was practical to be principled. It was even fashionable. But I saw this as a double-edged sword. Sure, more people acting in a principled way, even if for the wrong reasons (to avoid prosecution, minimize liability, or build good PR), still meant more people acting principled, and that was a net good. However, I sensed that people lacked a deep understanding of *why* they should be principled, and more important than just being principled, why they should dedicate new energy and emphasis to how they pursue their

goals and interests. From that basic notion, LRN has continued to change and expand its vision to help companies of all stripes and sizes the world over through new approaches to compliance, governance, and organizational culture. We now reach, work with, and help sustain “Do It Right,” winning cultures with more than 10 million people in hundreds of companies that do business in over 100 countries around the world. To thrive in and profit from the new conditions of the information age, both organizations and the individuals who work in them need to understand the power in *HOW*. That is what this book is about.

As I said, this is a *HOW* book, not a *how-to* book. *How-to* books offer step-by-step prescriptions for personal and business improvement: *Five Rules of This, Ten Practices for That, How to Get More of Whatever It Is You Want*. Follow all the rules exactly, these books promise, and the end goal—be it career success, losing weight, or becoming a millionaire—will be yours. Despite the well-meaning promise of the titles and the actionable advice—much of it useful—they offer, I believe that there is no single set of steps, habits, or actions that will provide either a shortcut or a clear and certain path to your goals. Life just isn’t that neat, tidy, or simple. A truly useful book must deliver something more—more lasting, more essential, more applicable to the full range of life. Instead of rules, steps, or an instruction manual, this book offers an approach—a framework and a way of seeing—to help you navigate the new global, hyperconnected world in which we suddenly find ourselves working. It offers something that will carry you beyond short-term rewards toward lasting success.

A new vision of *HOW* requires a new way of embracing why we get up every morning and go to work. I believe the inspiration to do so lives in the thought that there is a difference between doing something *so as* to succeed and doing something *and* achieving success. I am in the business of helping companies and their people do the right things in the right way. The mission of my company is to help others *and* we make a living so doing. We do not help others *so as* to make a living. The latter speaks to a journey of immediate gain and the former to a journey of significance, something of long-term value that makes not just money, but a difference. Significance lies in the ability to see one’s endeavors in terms of service to others, to be guided by a desire and ability to *connect*. In the vastly different conditions of our

hypertransparent and hyperconnected world, I believe success can no longer be pursued directly, that it can best be achieved—and *only* achieved—through the pursuit of something larger and deeper. I believe that if you pursue significance—a goal larger than the bottom line—you should achieve success. How we manage this distinction between *and* and *so as* lies at the center of our ability to not only survive, but thrive in the new conditions of the world today. This book also seeks to help you discover this idea in everything you do.

Throughout this book, we explore a new lens through which to view the world, business, and human endeavor, a way of seeing that I have learned from my conversations with everyone from business thought leaders, scholars, CEOs, and corporate managers to professional cheerleaders, sports stars, and New York City street vendors. I have filtered these conversations through the challenges I face leading a growing company that must compete every day against those who also want to get ahead, deal with the pressures to make the numbers, take care of every customer, and strive to get better, and as I challenge myself to do the right thing even when it is the inconvenient or seemingly less profitable thing to do. Through anecdotes, case studies, cutting-edge research in a wide range of fields, personal experience, and interviews with a diverse group of businesspeople, experts, and everyday folk—some familiar, others completely unexpected—we will explore in this book *HOW* we think, *HOW* we behave, and *HOW* we govern ourselves to uncover the new *HOWs* that unlock and create value in the twenty-first century and beyond.

The people and companies that will rise to the top today and stay on top tomorrow, who will be rewarded, promoted, and celebrated, are those that get their *HOWs* right. The world has changed to make this idea more relevant than ever, and I believe it now represents the most powerful way to chart a course of enduring personal and organizational business achievement.

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