A Book Report on

The On-Purpose Business

(Doing More of What You Do Best More Profitably)
By Kevin W. McCarthy

(Book Report by Gary Tomlinson)

Purpose is at the Heart: Effective leaders delegate a good many things; they have to or they drown in trivia. They do not delegate the one thing that only they can do with excellence, the one thing that will make a difference, the one thing that will set the standards, the one thing they want to be remembered for. They do it. (Peter F. Drucker)

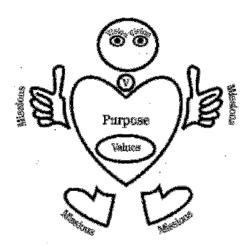
Step One: What's the purpose of your organization?

First, purpose is from the heart. Don't casually interchange purpose with its offspring of vision and mission. They're not synonyms. Purpose builds on our past, lives in our present and holds hope for the future. A purpose statement preamble begins with "I exist to serve by ..." Therefore purpose is the ultimate service concept.

What is the difference between purpose, vision and mission? First, there is only one purpose. But there are many visions – and several missions for each vision. Purpose is from the heart. Vision resides in your mind's eye. It's your dreams and possibilities. Missions are what we do to fulfill the vision that is anchored in our purpose. Missions are the 'doing' aspects of our lives. Purpose is the being and visions are the seeing.

Values are learned and revealed internal governors of right and wrong that we feel in our 'gut' and in our 'throat.' Values are timeless regulators of our purpose in the world about us. They help us choose what is most important.

The On-Purpose Diagram



Align your purpose, visions and missions. Another way of saying it is; when we've aligned our heart, head and hands with our values then we're living with integrity. It's called being on-purpose.

Purpose is spiritual electricity. We're in our infancy when it comes to understanding and harnessing the power of purpose. Imagine the possibilities in our lives and society as our understanding and use of purpose mature.

The light switch is the symbol of the on-purpose person. It reminds us to stay connected with our spiritual energy and turn it on!



The Purpose Statement: A purpose statement is simply two power-packed words that hone in on the constant uniqueness of the person or organization. It answers the question, 'Why do I exist?' The preamble begins with 'I exist to serve by...' and ends with those two words.

Your purpose is spiritual DNA. Think of the two words as the X and Y chromosomes. Here are actual examples of purpose statements. *I exist to serve by...Setting Free; Celebrating Nature; Igniting Dignity; Inspiring Insight; Showing the Way; and Liberating Greatness.* From these seeds individuals and organizations have grown and prospered; on-purpose!

All the X chromosome words end with -ing. This shows we're never finished being onpurpose. Remember; our purpose is eternal – in our past, present and future. It isn't a single defining event. It's expressed and refined over one' lifetime.

The second half of the purpose statement is the object of the activity. It brings focus and depth.

It's a powerful and fulfilling linkage when the purpose of the person is aligned with the purpose of the organization.

The Three Perspectives: The first perspective is our place in the stream of history. We live in the Knowledge Age, which advanced from the Industrial Age, which grew from the Farm Age, which was produced from the Stone Age. We've shifted from the work of our hands to the work of our heads. Paradoxically, in the midst of a seemingly chaotic and meaningless world, our society is speeding to the *Age of Purpose*.

Perspective number two is organizational perspective. The way to the right answers is to ask the right questions. What are the advantages of this insight? How might your company operate in the coming Age of Purpose? How can extraordinary people be attracted to work in this future age? What will be the nature of business? Will work support the family or the family support the work? Can work become a place where the average person makes a positive difference in society? The On-Purpose Business has

solutions to these questions. The bottom line is that forward-thinking organizations offering meaningful opportunity will hold a strategic advantage over those who don't.

The third perspective is your personal perspective and it is the most important one because you control it. Your viewpoint is your rudder to navigate the shifting currents of society and business.

The Four Pillars of the On-Purpose Business: They'll help you align and integrate the heart, head and hands in service to God, self and others. Each of the Four Pillars is associated with a word beginning with the letter *M*. They are the *Meaning, Mindset, Method* and *Manner*.

- 1. Pillar One The Meaning is the heart of it or the Purpose Principle. This describes the purpose of the organization.
- 2. Pillar Two is the Mindset: *Think Inc!* This is an abbreviation for Think Incorporated. It means we need to be, think and act as the president of our own company. The exclamation point creates an encouraging affirmation. I'm 'Kevin, Inc!' Your assistant is 'Jackie, Inc!' Each of us is a business of one. Instilling and supporting the *Think Inc!* mindset regardless of our position, experience or compensation is a profound mind shift. Most people aren't used to thinking as though they have a profit-and-loss responsibility. High personal responsibility and consequences are part of the deal.
- 3. Pillar Three is the Service Model, the Method of building any organization.
- 4. Pillar Four the Manner is about conducting one's business. The manner is doing more of what you do best most profitably.

The On-Purpose Business is a community with this common means of interacting and organizing. Our greatest challenges are in the very organization of our business. Remember, business is a marathon, not a sprint. Altering the culture in your organization takes time rather than one swift pass of a laser-printed edict. It is one person, one head and one pair of hands at a time.

Pillar One – The Purpose Principle: Pillar One, the Meaning, embodies the Purpose Principle. It is represented with the following diagram.



This reads as "The purpose of the person (Pp) aligned with the purpose of the organization (Po). The Purpose Principle depicts the presence and alignment of two states: significance and belonging. These are two powerful needs people have. High alignment results in feelings of meaningful contribution – being on-purpose.

Imagine a workplace where people have that gleam of purpose in their eye, that bounce in their step. Purpose matters because purpose is a matter of the heart. This Pillar is the heart and soul of an On-Purpose Business.

As leaders we have an enormous responsibility to articulate the purpose of the organization. Articulating and communicating the purpose of the organization is pivotal to our performance as chief executive officers. A clear and succinctly stated purpose attracts and helps retain the right people.

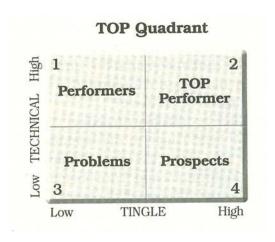
You'll use the Purpose Principle when you hire; when you target customer segments; when you engage a vendor; when you do strategic planning; when you develop a new program, such as a marketing or sales program; even in your accounting and information systems. When you forge a strategic alliance or merger, you'll be looking at your potential partner in terms of alignment. You'll use it in your day-to-day activities such as writing a letter, making a phone call or scheduling your appointments. With insight, it becomes obvious and inescapable, a second nature.

The On-Purpose Quadrant: Depicts the relationship of two alignments. The two types of alignments are *Technical* and *Tingle*.

Technical alignment is the knowledge, experience and talent needed in a job, process or business. It's the ability to get the job done.

Tingle is a feeling, an inner desire to excel, to achieve high satisfaction. You feel great about what you're doing, where you're headed and who you are. High-Tingle people use words like calling, belief, intuition, desire, giftedness, destiny and passion. They talk in terms of coming from the heart.

The model below integrates Technical and Tingle and helps apply the Purpose Principle.



Use this TOP Quadrant when hiring employees. Whenever you hear "TOP Performer," think of a person with High-Technical and High-Tingle. They're the complete package. They're fully aligned with the purpose of the organization. They can do the job and are highly satisfied.

Quad 1 is the *Performers* – High Technical but Low Tingle. This person does the job, yet that's all it is – a task with performance standards to meet. There's little passion or belief.

Quad 2 or *TOP* (*The On Purpose*) *Performer* depicts the ideal candidates with High Technical and High Tingle.

Quad 3 is the *Problems*. These people have low capacity to perform the job and little heart for it. These candidates are a poor fit and need to be elsewhere.

Quad 4 are *Prospects* with High Tingle but low Technical. These people are committed to the cause even if they can't significantly contribute to the effort – yet. With technical training, Prospects have the potential to become TOP Performers.

There are two ways to develop TOP Performers:

- 1. Help Performers find Tingle.
- 2. Train Prospects with Technical.

Prospects tend to be the richest, most consistent source of future TOP Performers. Technical is generally learned more easily than Tingle can be instilled. High-Tingle people are valuable. Tingle trumps Technical in our book because changing someone's mind is easier than changing one's cause.

The On-Purpose Paradox: An On-Purpose Business is designed and dedicated to serving. Recall that purpose statements begin with "I exist to serve by..." Then on-purpose paradox is that in serving the customer, you also serve your organization, your greater community, yourself and God. It's a complete and wholesome cycle of service. Everyone is a winner or it's no deal.

Pillar Two – The Mindset: Pillar Two is *Think Inc!* It means each person is the owner and president of his or her business. It means I manage to a profit or loss. It means I utilize and control certain resources for creating products and service. I create systems, manage the environment, lead when needed, get out of the way when I'm not needed, reframe the negatives into positives, engage people to make things happen, balance the long term and the short term. In other words, I'm responsible.

If *Think Inc!* is assuming responsibility for one's thoughts, feelings, beliefs, time and performance, then *Stink Inc.* is blaming and whining about everyone and everything. People with *Stink Inc.* are foul and to be avoided.

Think Inc! is the essential mindset of the On-Purpose Business. It's like the light switch. We have to want to turn it on. Responsibility requires ownership of the outcome. In this way the insurance agent doesn't run an agency, he runs a business. The receptionist runs a PR business, not a switchboard. The delivery person operates a delivery business. With Think Inc! everyone runs a business: nurses, pastors, teachers, salespeople,

assembly line people – it makes no difference. It takes a mindset of seeing yourself as a business. Every job is a business when you have a *Think Inc!* mindset.

However, most people don't. Owners have to think differently. They run the whole show, so their forced to be strategic thinkers. For most people, strategic thinking is the furthest thing from their minds. They focus on tasks within their job. *Think Inc!* people focus on adding value, doing what's best, selling, building the team and being On-Purpose.

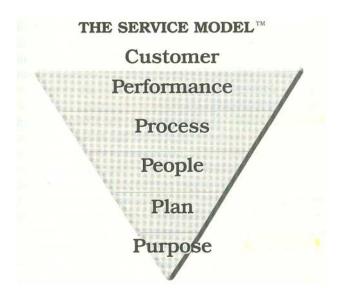
Imagine how powerful it is when everyone learns and uses the Four Pillars as the president of his or her business – from entry level new hires to top management. Imagine a company filled with Think Inc! people.

Pillar Three – **The Service Model:** The Service Model is about service. Purpose is a service concept. Service is purpose in action. Even businesses that are customer service-minded may miss the mark. They typically talk in terms of customer service. Actually there are three tests of service. First, does it serve a higher good or power? Second, does it service the person providing the service? Third, does it serve another person? In businesses we call them customers. All three must be served for it to be on-purpose.

The Service Model is a plan or design for putting purpose into action. It is also a pattern for others to follow so they can duplicate it. It's a miniature of something larger. It's an ideal to strive toward. The Service Model is a strategic, operational and tactical tool enabling predictable service.

The Service Levels: The Five P's are the progressive steps to building the Service Model. With these you'll analyze, build and correct the business. Here are the 5 P's in order; **Purpose**, **Plan**, **People**, **Processes** and **Performance**, all to serve the Customer.

Below is the Service Model. The large V represents values. Any organization must add value to survive.



Purpose – this is the Purpose Principle. State the purpose of the organization as 'P(o).' It's the nucleus. The Purpose Principle links to the Service Model. Without this linkage, the entire Service Model is empty.

Plan – an on-purpose plan includes positioning, visions, values and mission emanating from the purpose. Your position is the place you occupy in the mind of your customer. It's very important. Remember to include other strategic, operational and tactical plans. There may be several key outcomes or goals to list as well.

Processes – when average people are asked what makes up a business, they mention the functional areas within the firm. Typically, this includes accounting, finance, marketing, human resources and operations, to name a few.

Performance – the line between the Customer and Performance is the proverbial front line of the business. All direct customer contact takes place at the performance level of the Service Model. The prior four P's merely position the organization for performance. Salespeople, receptionists, delivery people, customer-service personnel and others all work within the Performance area of the business. The intent is for them to succeed by design.

Customer – for us to be on-purpose we serve customers, clients, patients, guests or whatever noun is appropriate to the organization. Serving customers is the lifeblood of a business and the ultimate expression of its purpose.

The Service Model is designed to align the entire organization with the purpose of the organization.

Customer Confluence: You've got to know which customers are the most on-purpose for you. They're the ones receiving the highest value for your product or service. An on-purpose businessperson must be able to pinpoint his or her best customers with high accuracy. Your Service Model gears you to be more suited to some customers than others. Your type of customers is called Customer Confluence. It happens when need and solution intersect. Think the On-Purpose Prospect meets the On-Purpose Provider.

Every level in the Service Model is a prelude to Performance for the Customer. Your Purpose, Plan, People and Processes have all been geared to serve a specific customer segment. When that customer appears, no one is able to offer comparable value. The value of your performance depends upon your preparation. The Service Model is your preparation to serve the customer.

The Front Line: We define the front line as the line on the Service Model between the Customer and the Performance Levels. Everything in the Service Model is a prelude to Performance along the front line. Customer value is either gained or lost along the front line.

The Model Way: The Service Model potentially holds an unlimited number of other service models. It's a metaphor for the organizational development process. The business has a Service Model, as can every person in the business. The only difference is scope of responsibility. The CEO has broader responsibilities than a sales representative; yet each person has his or her own Service Model within the organizational Service Model.

The Service Model is a leader's road map. It can't replace experience, nor should it. It compresses learning because the responsible person now has perspective, a map and directions. The more one travels a route, the greater the familiarity with the way. Most people don't have a map. That's why I'm adamant that everyone, from the receptionist to the chairman of the board, use the Service Model to understand his or her job, the company and the relationship of the two. People need experience using it. They need connection, belonging and meaningful contribution. They need to know that their life and work matter. And this map is the best tool for either individual or collaborative efforts.

The Single Building Block: Big organizations are nothing more than smaller organizations, which are nothing more than clusters of individuals. The whole rests solely on a single building block – one person performing a service. The Service Model gives the power of the whole to the one and the power of the one to the whole.

People process content differently. And each person brings different content to the process. The Service Model provides a common process to deal with differing content. In times of information overload, the only remaining basis for working together may be a common purpose and process.

The Value of Values: The V shape of the model is a reminder that values form the boundary for creating an On-Purpose Business. Values are our internal priorities. Instill values and you've improved the chances of people having right actions and spirits under pressure. One must do what's right rather than what's expedient. Write the values for your business. Violating values is just plain bad business. A Service Model without boundaries eventually drifts from its TOP Customers.

Values are determined, communicated, checked and engaged, aligned and finally transferred within the Service Model. Let's go through it step by step.

Step one is values determination. From the point of Purpose at the base of the Service Model comes the Plan. In the Plan, the leader ascertains the values as well as the vision, mission and outcomes.

Step two is values communication. The values are shared and woven into the fabric of the Plan, People and Processes. You form the business culture by integrating values into the design and flow of the organization.

Step three is values checking and engaging. Here we compare the values of the organization with our personal values to check for alignment. If it's a fit, then you can make the decision to engage with the values of the organization.

Step four is values alignment. This is the integration of the values of one person and the organization. Ideally they're already compatible. Reality mirrors theory when the alignment is high. The Plan, People, Process and Performance for serving the customer are aligned. This is personal and corporate integrity.

Step five is value transfer. This is the front line transaction and relationship-producing value. At this point the entire model has been designed to serve the Customer with the greatest possible value, trust and benefit.

The On-Purpose Palette: Artists use a palette to hold and mix colors so they can create what they want. That's what the Palette does for us. Each Pillar is assigned a primary color. The Purpose Principle is **red** for the heart. *Think Inc!* we labeled **blue** because it deals with the mind's eye and blue-sky thinking. The Service Model is **yellow** because we use it day to day and the yellow sun symbolizes a day.

By mixing the three primary colors of red, blue and yellow, any color can be created. We see challenges or opportunities as having three perspectives. Once each perspective is discussed, we mix the colors to fit the picture. This enables us to deal systematically with the full spectrum of issues.

Pillar Four – the Manner: Manners are learned choices and conduct. Good manners elevate us from a natural state into a refined state. Pillar four is all about choice. We constantly choose to act, think, behave and organize by Doing More of What You Do Best More Profitably at the personal and organizational levels.

The Manner is a simplifying operational mantra that equips people to right themselves regardless of the situation, dilemma or conflict. The Manner of the On-Purpose Business is 'Doing More of What You Do Best More Profitably.'

oing More of	What You Do Best	More Profitably
Hands	Heart	Head
PILLAR THREE	PILLAR ONE	PILLAR TWO
Service Model	Purpose Principle	Think Inc!

Let's start with the center third, 'What You Do Best.' When you're on-purpose, you have a monopoly. It's excellence relative to self. When you're at your best, then meaning, fulfillment and performance are sure to follow.

The lead third, 'Doing More,' relates to the Service Model, or Pillar Three. Using the Service Model we can make "what we do best" happen with greater regularity.

The final third of the statement is 'More Profitably.' I'm using profit to mean adding value in its broadest sense. We're talking value relative to community as well as personal and financial aspects. Social profit exists in smiles, hugs, happiness, trust and positive feelings. Financial profit is the excess of revenues after expenses and is one of many measures rather than the only measure of profit.

Final Thoughts: Are you doing more of what you do best more profitably? Now is the time to take your next step for your business or career to be on-purpose. Why waste another day being off-purpose when the compound effect of being on-purpose can accrue your benefit almost immediately?

Message from Gary Tomlinson:

I hope you enjoyed reading this book report. It's important to understand this book report should not take the place of you reading; "*The On-Purpose Business*" by Kevin McCarthy's. His book is a modern parable told in story form. My book report does not capture the story. This is an incredible book that will serve you well. To learn more about the On-Purpose Business or to buy a copy of the book go to www.on-purpose.com.

Enjoy the education and wisdom contained within this book report and feel free to share it with others because the "illiterate of the 21st Century will not be those who cannot read or write, but those who cannot learn, unlearn and relearn."

You can engage Gary at <u>gary@garyetomlinson.com</u>. To read his other book reports or book reviews visit his website at <u>www.garyetomlinson.com</u>.

