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## **Meet the MasterMinds: A Conversation with Tom Peters**

It's no surprise that [Thinkers 50](#) rates Tom Peters as one of today's top management thinkers. As *Fortune* put it, "We live in a Tom Peters world."

Peters is the author or co-author of ten international bestsellers, including [In Search of Excellence](#), which he wrote with Bob Waterman in 1982. A self-described "prince of disorder, champion of bold failures, maestro of zest, and corporate cheerleader," Peters is also the Chairman of the Tom Peters Company, a global training and consulting organization.

His new book, [Re-imagine!: Business Excellence in a Disruptive Age](#), was released in October 2003 with British publisher Dorling Kindersley. Peters says he and this design-driven publisher aimed at nothing less than to "reinvent the business book."

## **MCNews: I spent the last few days reading your new book.**

**Peters:** God help you!

**MCNews: What keeps going through my head is that, in this book, art meets argument in a way that really breathes life into the ideas.**

**Peters:** We really enjoyed the project exactly on that dimension. **It was more work and more sheer fun than anything I've done in twenty years.** I'm not an artist, but my wife is a designer and it was her idea to go to the publisher Dorling Kindersley.

After I figured out what she was talking about, I started laughing--as did my agent. But then I met them and it seemed like the right thing to do. I don't know whether I did a decent job, but the publisher's people sure did.

Dorling Kindersley does elaborate designs all the time for gardening books and so on, but they recruited additional help for this book. They hired an absolutely fabulous designer from London's ad world who brought his eye for 'with it' images to the book.

We really worked our buns off so the images in the book would reflect the message of diversity, especially showing women as the new economy's natural leaders. **We also wanted to stress the role of design as the ultimate competitive advantage.**

**MCNews: Your argument flows in a natural progression, but it's as disruptive to go through the book as the message itself.**

**Peters:** I do think we have a solid linear argument in there. When I look at the chapter headings, they could belong to a McKinsey presentation that I might have written twenty years ago.

**MCNews: There is a linear argument, but it's also holistic.**

**Peters:** The editorial person at McKinsey, aka the head honcho for linear thinking, used to get on my case about being a circular thinker. I always took that as a compliment, even though it meant my livelihood was at risk at the time. But I wouldn't say that I'm good at it. I think it's more instinct than anything else. There is a fine balance or, more accurately, an interesting tension between holism and linearity that is, alas, missing from nine out of ten consulting presentations.

We had a whole book at McKinsey on the pyramid style of writing. I assume the other big consulting firms have something similar--very black and white, very fact-based. But, giant companies are so unclear in their thinking and so screwed up that, as awful as that writing style is, it often makes a compelling case about a set of data.

That's what is so annoying about it--unfortunately it has its place!

**MCNews: You say in the book, "It is the foremost task--and responsibility--of our generation to re-imagine our enterprises and institutions, public and private." What does re-imagine mean to you?**

**Peters:** I both love and hate that quote. I think it's quite pompous and I'm almost embarrassed by it. But it hit me as pretty accurate, and I think the term re-imagine speaks for itself. **The theme of the book is that everything from the education of our youth to the way we fight wars against elusive enemies requires the reinvention of every type of organization.**

What is going on in our world is a qualitative shift in what organizing means. **It's all so strange and different that I don't even know what a superlative for it would be.** And I think that shift will accelerate as technological change accelerates, which in my opinion it will.

You can call me a slave to Silicon Valley thinking, but this information technology revolution is as real as it gets, and it's going to dramatically change everything we know.

In his book, [\*Smart Mobs\*](#), Howard Rheingold talks about how wireless technology will lead to the next social revolution. The phenomenon applies to education, the military, politics and business enterprise.

**Business 2.0** had a great story about Dawn Meyerreicks, who is the chief technology officer of the Defense Information Systems Agency. After 9/11, her office quickly leased all the available transponders over Central Asia. That move led to the "Napsterization" of the battlefield by cutting out the military middlemen and allowing the real players on the ground to communicate directly and instantly with one another.

**MCNews: Let's talk about how such qualitative shifts are affecting the consulting industry. For large firms, client satisfaction is down and client "loyalty" is way off. But the smaller firms are on a tear.**

**Peters:** With rare exceptions like Wal-Mart, bigness brings with it a host of problems. For the large consultancies, part of it is bubble problems. I once saw data in *Forbes* about the number of people that Deloitte Consulting, Ernst & Young, PwC and Accenture added in a five-year period, and it was just insane. Just to hold the firms together is a challenge.

To try to manage virtual armies of consultants and weather the brutal assault on the integrity of everybody on both the consulting and the accounting sides since Enron, that's a double body blow. It's therefore not surprising that the most interesting stuff would be coming out of relatively small firms.

**MCNews: You talk about how technology will cause the outsourcing, or even extinction, of much of the traditional white-collar work force. Is there a way to staunch the flow?**

**Peters:** There is a mixed message in the book. One message says we are doomed, and then there is the chapter about everybody heading to the value added services.

**To survive as a member of any department or organization, you have to turn yourself into a micro version of that organization.** You have to become somebody who does value added work, sends out invoices and gets paid. Those who want to avoid being micro-processed or outsourced have to learn how to do work that is worth paying for.

**MCNews: How does this trend impact those in professional services, like consultants?**

**Peters:** When it comes to re-imaging or reinventing, many consultants might say ho hum, because we in consulting have always been doing this stuff to a significant degree.

**Now, you are welcome to accuse me of intellectual shoddiness, but I am arguing, without spinning the implications out far enough, that we are going to become a nation of consultants.** Perhaps we already have. If IBM is now IBM Global Services and UPS is UPS Logistics instead of a bunch of guys with trucks, all of the value added is going to come from this consulting-like intellectual capital. I hate the term--it's been used so much you want to puke--but it is accurate.

And for the consultants, maybe we are going to find ourselves competing with former departments. The proof of the pudding is IBM buying PwC Consulting. IBM turns itself into a consultancy and what does it do? It buys the consultants. Why wouldn't UPS do the same thing?

**UPS wants to manage the entire supply chain for its customers and probably has enough money to sink a ship. Why not buy the consulting practice of Deloitte or Accenture?** So I think we are all homing in on the same pie.

**MCNews: Will these developments make the term "consultant" obsolete?**

**Peters:** Potentially. I have said that it's as stupid to use the word consulting as it is to use the word retailing. There are one person's consultancies--maybe a fabulous guy who does inventory management for grocers and is worth a jillion dollars a day to do the inventory thing for a twenty-million dollar company. And then, at the other end of the spectrum, you have the monster firms. So a consultant is not a consultant any more than a retailer is a retailer.

**MCNews: You make an important point in the book: people think losing manufacturing jobs to China is a problem but the jobs we are losing in the service sector are a much bigger issue.**

**Peters:** Absolutely. I was talking to a senior guy at GE Capital today about how GE is out-sourcing everything to India. They are out-sourcing thousands of jobs to India, and GE Capital is a consulting company!

And the difference is that it doesn't cost a thing for a service company to move other than making sure there are good satellites overhead. You don't need to move any capital equipment, and the roads and sewers don't have to work. You just need a low hanging network of satellites with perfect communication.

I gave a speech in Manila and I was utterly fascinated by how Manila is now advertising itself as an alternative to India. In the Philippines, of course, English is spoken as a first language. They are positioning themselves as the third largest English speaking nation after India and the United States. They want to become the hub for call centers for the English speaking world. It's a national strategy and it makes all kinds of sense.

**MCNews: Any thoughts on the state of business writing today?**

**Peters:** These strange times demand a lot of reinventing or re-imaging, and **we are in desperate need of ideas. The fact that 98% of those ideas turn out to be bull is totally irrelevant. If I read a book that cost me \$20 and I get one good idea, I have gotten one of the greatest bargains of all time.**

Also, I don't believe in holy writ. Buy fifty books or twenty-five books, take three weeks off, read them and make up your own theory. The fact that you end up literally burning twenty-two out of twenty-five books is beside the point.

One book which you may come across is by Sydney Finkelstein called [Why Smart Executives Fail](#). I was listening to an interview with the author on New Hampshire Public Radio, which made me hysterical with laughter.

Finkelstein's book is about learning from failures. What goes around comes around. The reason Waterman and I wrote *In Search for Excellence* in 1982 was that all the writing at the time was about things that had failed. We thought it would be nice to have a counter-balance about a few things that worked, and suddenly we were in the mainstream. And now we're saying enough of that, let's learn from the failures.

**MCNews: It's a pendulum isn't it?**

**Peters:** Absolutely. That's what makes it all fun, except for those poor souls who take themselves too seriously.

**MCNews: Last question: What's your definition of a great consultant?**

**Peters:** In my experience, and I bet it's true for all of us in professional services, there are two types: those who know the answers before they start, and typically what they come up with is useless, and those who have the audacity to charge the client a ton of money and then muck around tenaciously until they find the answers.

**MCNews: Thanks for your time today.**

You can find out more about Tom Peters at [www.tompeters.com](http://www.tompeters.com).