Navigating the Likeability Gap

What Rwanda, Golf Courses, and *Ocean's Eleven* Can Teach Us about the Decisions We Make

Of all the things I've done, the most vital is coordinating the talents of those who work for us and pointing them toward a certain goal.

—Walt Disney

The first time you meet Scott DiGiammarino, you get the feeling he'd much rather give you a big hug instead of a handshake. Often he'll do exactly that. As a former high school football star who grew up in the affluent Massachusetts sailing town of Marblehead, he had always been one of the least wealthy kids in his neighborhood. Growing up surrounded by wealth, though, gave him a healthy ambition to be a success. It was a drive that would lead him in 1993, at the age of 30, to accept a seemingly impossible job.

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That year, he took over as the regional sales manager for a struggling North Atlantic region of the American Express Financial Advisor Network. At that time, there were 176 individual regions across the United States, and every year they were ranked based on an internal formula that looked at all sorts of criteria such as assets under management, client satisfaction, investment performance, employee retention, and a mix of other metrics. The office he was about to take over was ranked 173rd out of 176.

He knew something drastic had to be done, and he wasted no time trying to take action. In his first month, he reviewed staff performance and attitude. He found the lowest performers and people who had very negative attitudes that were unlikely to change and immediately fired more than half of his 32-person team.

From the beginning, his focus as he recalls was to ''create a culture of making principle-based decisions, even when the boss isn't around.'' It was a lesson his staff learned first-hand one day when he called the full team into an hour-long meeting, after one advisor had been less than completely transparent with a client. His main message: nothing less than full honesty and transparency would be tolerated. If business was going to change, the way the entire team approached their relationships with their customers would have to change first. As Scott would often tell his team, ''You need to all feel more empowered to do business with integrity, because integrity always pays off.'' And it did.

Almost exactly one year after taking over, when the new regional rankings were released, the North Atlantic region had gone from being ranked 173rd to being ranked number one. The rest of the financial advisor community was stunned. It was the first time that such a dramatic turnaround had ever been seen. Still, most people just figured it was beginners' luck, or the benefit of cleaning house and getting new staff.

Scott wasn't ready to quit, though. Through the entire second year, Scott reminded his staff that going from worst to first was easy. It was staying on top that would be hard. What they did next would not only surprise their peers again, it would make their office the most successful in the history of the company.

For 13 of the next 15 years, the office maintained that number one spot—until Scott finally decided to retire from his role at Amex in 2008 to start his own company. How had one region managed one of the

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most stunning turnarounds in company history, and then sustained it year after year for a decade and a half?

The Movie Man

It turns out American Express wanted to know the answer to that question, as well. To find out, their first step was to hire management consulting firm McKinsey to find out. Following their standard process, McKinsey sent in a team of consultants to spend weeks studying Scott and his office to uncover their secrets. Their research was exhaustive.

They looked at every aspect of performance, from the office structure to the incentive system used for employees. They grilled Scott about his management methods. They tested the attitude and performance of his employees. They created surveys to distribute to partners and even conducted face-to-face interviews with customers.

After all this research, they produced a comprehensive report that pointed to a single puzzling conclusion: Scott managed to get the best performance from his employees because they *cared* the most about delivering great results. Unlike many other regional managers, he was somehow able to inspire his team to try harder and deliver better results. There was an immense source of pride in being part of the team that was at the top, and that pride related to the work that they did.

It wasn't the sort of conclusion that McKinsey consultants like to end up with. After all, given such long-lasting success, there must be something specific that set that region apart, but every obvious rationale had failed.

Was Scott an extraordinarily gifted recruiter of great talent? No, after reviewing his team, they found no evidence that the people there were inherently more talented than the people in any other office across the network.

Was their region inherently better or bigger? No, the results per advisor and client were still better even when corrected for size.

Were they somehow cheating or getting measured on different criteria? Again, the team came up empty-handed—without an explanation.

If it wasn't talent or an unfair advantage or cheating, what could it be? Buried within the report, the McKinsey team had uncovered

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one particularly unique thing that Scott did religiously to connect with and motivate his staff. Every morning he would create an inspirational message to send out to his staff along with a video clip from a Hollywood film. Scott was a huge film buff and loved using movies to explain concepts.

Early in his role at Amex, Scott realized that with such a geographically spread out team, he could never be everywhere at once. And yet, he still needed to motivate and connect with his team members spread across multiple states.

His daily messages of inspiration were how he managed to do it. One day, inspired by his football past, he would play a scene from the movie *Rudy*. Then he would show the final scene from the Oscar-winning film *Dead Poets Society*, where students stand on their desks and pledge their support for their professor, played by Robin Williams. After showing a clip like that, he would ask his team leaders, ''What are you doing that would make your staff stand on their desks for you?''

Over time, Scott built up a list of 200 qualities that he wanted to inspire in his staff. It included everything from being more compassionate and genuinely caring to consistently going above and beyond. Throughout, he would use movies as a shared language to encourage people to take more responsibility and ownership over their roles. When a staff member came to him with a problem, for example, he would ask them to imagine how Tom Hanks's character in *Castaway* might handle it. Movies brought his lessons to life and helped empower his staff to solve their own problems.

After each video, staff engagement would go way up. People started sharing these clips and the recorded messages from Scott. They would respond and engage with him virtually. One of the most basic and important metrics in the financial services industry was employee retention. Scott knew that if he could keep a good financial advisor for four years, he would keep 97 percent of them long term. And keeping your best employees for the long term is the most important factor in building a successful services based business. Thanks to his ability to connect with his teams and inspire them, his employee retention rate was off the charts compared with other regions.

The formula for success can write itself at this point. Keep your best people for longer; they will perform better and grow the business, and you will continue to succeed. Could it be that something as simple and nonanalytical as inspirational snippets of video was the explanation for

Scott's success? The McKinsey report was forced to conclude that it just might be, and that was the best they could do.

As soon as the report was shared with the Amex management team, it turned Scott into something of an internal rock star. Deciding they needed more of Scott's philosophy across their entire organization, Scott was given an internal television show to host. He started traveling around the country to speak at other Amex offices. More teams of consultants and internal offices sent their own people to visit Scott's offices to see how they did it, prompting his assistant at the time to joke that their offices sometimes felt ''like a motel'' with all these people coming in and out.

As he would later share, his most important guiding belief was also his simplest: ''If I can help my team personally,'' he would say, ''they'll give me their best efforts professionally.'' When he finally left Amex in 2008, his video idea became the basis for a new business called ReelPotential, which now helps brands of all sizes to create these inspiration programs based on officially licensed Hollywood films. To this day, his track record of success in building a successful team of financial advisors has been unmatched.

What Business Are You In?

When you think about businesses like financial advisors, it is probably not hard to imagine that personal relationships really matter. If your staff is highly motivated and inspired, *of course* you can get the best performance from them. But how much do personal relationships really matter when you are trying to sell someone a commodity that anyone might sell—like a can of Coke?

In 2011, as part of a feature that involved interviewing dozens of CEOs, Adi Ignatious, the editor of the *Harvard Business Review*, spoke with the CEO of Coca-Cola, Muhtar Kent, about the challenges facing Coke. The conversation ranged from Coke's growing investment in social media (moving from 3 percent to 20 percent of their overall media spend), to how they manage the world's largest Facebook brand page with over 40 million fans. They touched on sustainability and spoke of Coke's impact on the world.

Near the end of the interview, Ignatius asked a pointed question about Kent's decision to spend a significant part of his time actually visiting real supermarkets to be with customers. Surely a CEO of a large

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global brand like Coke would have better things to do than visit stores around the world that sell Coke? This was his response:

> It's important to be seen, because we are a people business. We're one of the largest private employers in the world, and it's important that all our people who touch customers be motivated and feel good about what they're doing. It's about being proud of what you're doing.

Wait a second, Coke is *a people business? Don't they just sell cans of soda?* Though it may sound odd on the surface, what Kent and other great leaders know is that nearly every business in the world is actually a people business on a basic level. It is people who make the biggest contribution to whether a business is a success or a failure. And as Scott DiGiammarino and Muhtar Kent both know, the bad news is that those people aren't nearly as engaged as anyone would like.

The Engagement Problem

In 2007, the global professional services and recruiting firm Towers Perrin conducted a survey of nearly 90,000 employees in 18 countries around the world. The aim, as it was every year, was to spot some trends in how satisfied employees were with their jobs and what they were thinking. Unlike many other surveys, this was global and reported back on countries individually in the results. What they learned was concerning: The global workforce is *not* engaged.

Only one out of five workers on the job was giving what the report called "full discretionary effort" on the job.

In English, this meant that only close to 20 percent of an average professional workforce was actually trying as hard as they could to produce quality work. More disturbingly, nearly 4 out of 10 (38 percent) were described as what the study called "disenchanted or disengaged."

Ironically, the study also found that despite the pitifully low levels of engagement, employees worldwide *wanted* to give more, but were

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being held back for some reason. The majority of the reasons did not come down to compensation, but rather the employee's relationship with the organization, its leadership, and their work experience.

It is no wonder that in 2011, a book with the title *How to Work for an Idiot* was a *New York Times* best seller. Our relationship with work is rarely one that inspires a "full discretionary effort." There are plenty of people who don't necessarily love what they do, and therefore put in the effort required but not much more.

The gap between what organizations are able to inspire their employees to do and what those same employees are capable of doing is considerable. It was enough to explain why Scott's focus on motivating his team of financial advisors helped them consistently rank higher than most of their peers across the country.

It is also why business media and culture today celebrate the few companies like Zappos who have focused on creating a dynamic and incentive-rich culture, where people are empowered to do great work and act on their own ideas. Creating more engagement among employees requires a more direct and human connection.

When you have a real human connection, you can focus on the three most important elements of motivation:

1. **Purpose**—answering the all important question of why something should matter and is worth doing or believing in.
2. **Empowerment**—giving people a sense that they have influence to control their own actions and are trusted to do things to the best of their ability without needing permission for everything.
3. **Appreciation**—when people feel that what they do is important and they are thanked for their efforts, they are more likely to be motivated to do more and perform better.

The principle that lies underneath each of these elements is simple. People are inspired and get engaged because of leaders who can connect with them personally. This personal connection inspires trust. One of the most powerful stories that proves this is the dramatic 17-year reversal of fortunes for a country that was once only known for its violent ethnic wars.

The Reinvention of Rwanda

In the span of 100 days in 1994, over a million people died in an ethnic war in Rwanda while the world sat back and did nothing. It was one of the darkest moments in human history, but it was also a turning point, bringing a rebel army to power that was led by a man named Paul Kagame. For the next 17 years, he would remain president of Rwanda and lead his country in an unprecedented revival.

Though South Africa gets a lot of well-earned media attention for its recent prosperity, it has a lot of natural benefits that Rwanda never had. Plentiful coastline, a large and connected immigrant population, and vast natural mines of diamonds. Rwanda, in contrast, is a mountainous country about the size of Maryland and has the highest population density in sub-Saharan Africa. A land-locked country in Eastern Africa, Kagame was quick to realize that it would be Rwanda's ability to build relationships with others around the continent would be crucial.

He focused on encouraging more Rwandans to become businesspeople and opened up trade routes with neighboring countries like Congo and Tanzania. He sent teams of people on fact-finding missions to places like Singapore to learn from their examples about how they managed to create reputations and desirable qualities to grow their economies. And he personally went out and made friends.

He invited Costco CEO Jim Sinegal to visit Rwanda, and struck a deal in which Costco began purchasing about 25 percent of the country's premium coffee crop. Sinegal introduced him to then Starbuck CEO Howard Schultz who later agreed to become the country's second top buyer. Kagame established a well-connected circle of business leaders to join his "Presidential Advisory Council" and began to see even more successes.

In 2009, the country struck a deal to invest $100 million to lay fiber optic cable that rivals most Western nations and would make Rwanda one of the most connected countries in Africa. Most importantly, Kagame built and used his direct connection to some of the most influential people in the world to make sure they were not only invested in the country, but that they also had a front row seat to watch the transformation of Rwanda.

It has worked. Since 2004, the GDP for the country has risen every year. It is now listed by the World Bank among the top 50

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countries in the world to do business, the same list where they used to be ranked 150th. Most interestingly, according to the World Bank's Doing Business Survey, they are now tied with the United States as the ninth easiest country in which to do business.

As Clet Niyikiza, a successful drug researcher who was living in the United States and who agreed to join the President's Advisory Council, noted, ''[President Kagame] wanted advocates for the country to the rest of the world . . . the idea was to do that through relationships.'' These relationships were a necessity. None of the growth in reputation that Rwanda has enjoyed would have happened without Kagame's ability to make personal connections.

For years, the world was inactive as over a million people were massacred. Today, businesses like Costco and Starbucks actively buy from the country. A new Marriott hotel is being constructed in Kigali (the capital). In his annual address to the nation in 2011, President Kagame promised, ''Those in need of healthcare will have easy access to it and all Rwandan children will be able to go to school in 2012.''

What turned Rwanda's fortunes around was Paul Kagame's ability to encourage influential leaders to act to support his vision and the country because they *wanted* to. But what is that single quality that matters so much when it comes to inspiring people through leadership? If any of us were asked to guess what it might be, our responses would be predictable. Passionate. Innovative. Bold. Visionary.

In reality, it turns out that the ability to successfully build a profitable company or reinvent a nation comes down to a more surprising quality. And, as management consultant and best-selling author of *Good to Great* Jim Collins uncovered after years of research, it is not a quality that anyone would ever have guessed.

Humility Wanted

Though he didn't realize it at the time, a simple question during a dinner conversation would engross Jim Collins for more than five years of his life.

His critically acclaimed first book, *Built to Last*, investigated what made a company visionary. Visionary companies, as Collins defined them, were those that endured for generations and made an impact on the world around them. It wasn't just about profits, though all of

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his examples were indeed highly profitable. Instead, the companies he researched—Ford, American Express, Walt Disney, Sony, and Boeing (to name just a few)—had a combination of ''cult-like cultures'' and ideologies that focused on more than profits.

The question his dinner companion would ask that night was whether great companies *required* larger-than-life leaders like Walt Disney or Henry Ford, or whether companies might be able to *learn* to be great? Tackling this question, Collins methodically studied and researched for nearly five years to find the answer before writing his second book, *Good to Great*. In that time, he uncovered many surprising truths about the nature of success, leadership, and vision.

At the top of the list was the discovery of a type of leader he termed a ''Level 5 Executive.'' Level 5 Executives, according to Collins's research, were not larger-than-life personalities. Instead, they were leaders who spent more time ''looking out the window than looking in the mirror.'' They were modest and resolved and humble.

Humble? That certainly doesn't seem to describe many modern leaders who are regularly noted as being among the most successful in the world. Yet, when looking at hundreds of other companies for comparison, Collins found that in more than two-thirds of them a ''gargantuan personal ego contributed to the demise or continued mediocrity of the company.''[1]

The 11 leaders profiled as the heads of *Good to Great* companies are hardly household names. Here are a few that made the list: Jim Herring, Colman Mockler, and Darwin E. Smith. Have you even heard of any of them? Yet each was wildly successful in building an enduring and great business: Kroger (Herring), Gillette (Mockler), and Kimberly-Clark (Smith). So if it is not about being the most inspirational or visionary leader, then what does it take?

The conclusion Collins reached focused on the extraordinary drive that Level 5 leaders possessed. He wrote that they are ''fanatically driven, infected with an incurable need to produce results.''[2] Rather than focusing on what they will get, they combine professional will with personal humility in order to do whatever they need to do toward build an enduring, great company.

The drive component of success and the need to be extraordinarily driven certainly shouldn't be a surprise to anyone. But why was humility such a critical factor? After all, if people follow great vision and the job of

a CEO is to make big decisions and inspire staff, surely there are plenty of other more important qualities? It is no secret that humble people tend to be more likeable. What is interesting is just how important that likeability is to inspiring people to actually *do something*.

The Likeability Gap

All people and all situations are not created equal. There is a greater understanding today among business professionals that simply offering good service or a decent product is not enough. To get people to come back, you need more than just *satisfaction*. Part of the reason why is because just being satisfied is not remarkable, and people don't typically talk about an experience unless it is either remarkably good or remarkably bad. And even then, it is much easier to get them to vent about a bad experience, especially online.

It was a point that author and Nestlé executive Pete Blackshaw aptly wrote about in his 2009 book, *Satisfied Customers Tell Three Friends, Angry Customers Tell 3,000*.

Over and over, the same pattern turns out to be true. Social media offers an easy outlet for the unhappy, but people sharing positivity is far more rare. This is not just a social media problem, either. The most popular sentiment toward anything isn't love or hate—it is indifference.

Consider the following questions:

- When you have a great meal, why do you choose to go online to post a review for some restaurants and not for others?
- When asked by a colleague or friend of a friend on LinkedIn for help in finding a job, which people do you go out of your way to recommend and forward their details to your HR person?
- If you work in a role where you provide any type of service to customers, which customers do you work harder to provide good service for?

All of these are common choices that many of us face in our daily lives. They are all a matter of degrees. *How much* would you go out of your way for someone or something? That is a choice we all make, and those choices are what fuel many of our interactions with others.

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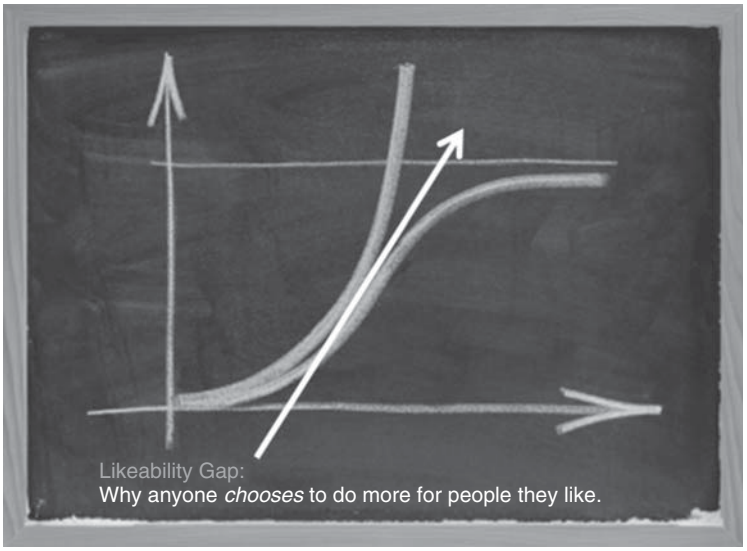

Figure 2.1 Likeability Gap

The answer comes down to something called the *Likeability Gap* (see Figure 2.1).

The Likeability Gap describes the difference between what someone decides to do because they *have to*, and what they do because they *want to*.

When you are likeable, you can bridge this gap, and the benefits are almost endless. More likeable businesses hold on to their best employees longer. More likeable people hear about the best job openings first. For more likeable people, the things many of us attribute to good luck just seem to happen. Many of the examples you'll find in this book are of people and companies that have managed to bridge this likeability gap in order to find their success.

To see why the likeability gap is such a powerful force in our lives and how we make decisions, let's look at a few examples of the principle in action, beginning with the story of a guy who started his career doing something many people wouldn't even consider—and continuing to do it for 20 years.

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The Toilet Business

Today, Tim Kerin jokes about getting his start in business by cleaning toilets. He can afford to. He runs a company called Falcon Crest, which is one of the most successful commercial cleaning and contracting businesses in the Washington, DC, region. For more than five years, his company was the official cleaning partner for Redskins Stadium, and works with many of the largest businesses in the DC area.

In 15 years of business, he has had his fair share of experience with the power of likeability, and seen plenty of situations where it was missing. He has survived overcharging attorneys, being stiffed more than $60,000 by a client, almost going bankrupt, losing an unemployment case to an employee with a sixth-grade education, and managing to still build a profitable business.

Having gone through most of this early in his business career, he now spends a day a week teaching aspiring entrepreneurs about the reality of running your own business. At over six feet tall and easily more than 250 pounds, when he tells you how the world works, you are likely to listen. His most important lesson he often shares is about the unexpected power of being likeable.

One of his favorite examples is how a personal connection put him in contact with the procurement manager for Boeing, who was looking for a small contractor to paint some conference rooms with dry erase paint so they could use the walls for meetings. It was a small job, but it offered a foot in the door. Over the years that small piece of work has grown into more than $1 million of contracting work for Boeing every year.

Almost all of us have a story like this to tell. We might attribute it to unexpected strokes of good luck. Or we say we just knew the right person at the right time. Usually, the idea of who we meet within our social networks and how they make an impact on our lives is hard to explain in concrete terms. Even professionals who study human interactions have struggled for decades to do it.

One of the most popular theories to explain this is one that has been cited more than 20,000 times over nearly 40 years (according to Google Scholar), by a sociologist named Mark Granovetter. In 1973, he first published a paper called ''The Strength of Weak Ties'' to offer

an intriguing new explanation for why the benefits of social networks might be quite so unpredictable.

Understanding Weak Ties

If you had to think about the last three jobs you have held in your career, how did you get them? Did you search exhaustively online for an opening and send in a resume to a generic HR e-mail address? Was it through an online job opening or a listing in a newspaper?

No—most of us would credit some kind of personal connection with helping us to get into an opportunity and eventually find our next job. It will probably not surprise you to learn that this is quite common. A Gallup poll of job seekers conducted in 2008 found that the number one source that job seekers turned to was friends and family, and it was also among the most effective methods for actually landing a new job.

That alone is probably not very surprising. Your relationship to the friends and family who tend to introduce you to your next job, though, may surprise you. In his study, Granovetter conducted a random sampling of professional, technical, and managerial workers who had recently changed jobs in the Boston area. He asked them how often they *saw* the contact who helped them find their new role. Using this as a metric for the strength of their social ties to one another, he found that only 16.7 percent of people saw their contact "often."

The rest reported either occasionally (55.6 percent) or rarely (28.8 percent) seeing their contact. For most of us, this would seem to be a counterintuitive result. After all, your closest connections should be the ones most likely to help you find a new job, right? Instead, Granovetter proposed that your "weak ties" (the less familiar connections) may be even more important when it comes to situations like finding a new job.

The fact is your weak ties are more likely to travel in social circles outside your own. As a result, they are also more likely to have access to information that your inner circle of friends might not have, such as interesting and new potential jobs.

The people who are able to foster the most meaningful weak ties, Granovetter concluded, are also the ones who are able to earn trust more effectively, because weak ties will vouch for them and help convince any skeptics that they are indeed trustworthy.

There is a simple connection to make here: The likeability gap can also explain how some people are able to build more weak ties while others aren't.

Being likeable helps you to form weak ties as well as strong ties much more effectively, and the value of both cannot be overstated.

Whether you consider the impact of weak ties or strong ties, the fact is that together they lead to the most profitable connections and finding your next job, and they even might explain why so many million-dollar deals seem to be done on a golf course.

Golf and the Likeability Gap

Bill Storer runs what might be one of the most unique training organizations in the world. For more than a decade, the former AT&T executive has been delivering a half-day seminar for executives on how to do business on the golf course. It is a smart business to be in. While golf itself has seen declining participation over the past decade, there are still almost 16,000 golf courses across the United States, with golfers playing nearly half a billion rounds of golf each year.[3]

More importantly, over the last century golf has become a symbol of networking and leisure for affluent business professionals around the world. Real estate developer and reality show star Donald Trump is one of the many business professionals who credits his time on the golf course to building business relationships and closing deals:

> I have done many deals on the golf course. You learn a lot about people on the golf course. For me, if I see someone moving the ball then the probability is that they will move the ball in business. And then there are guys that would never ever think of moving a ball and they are that way in life, too.[4]

As Storer says when pitching the importance of his seminars on business golf, "There is no better way to further a relationship than to spend six hours in a golf cart with somebody. You can't sit with someone in a lunch room or a board room and develop a relationship like you can on the golf course."[5] Perhaps no moment illustrates this

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better than the story of Archie Williams, the founder of Roxbury Technology, a manufacturer of toner cartridges.

Back in 1989, Boston was a city divided by lingering racial tensions from a busing crisis in the 1970s. One side effect of this tension was that black and white business owners rarely found opportunities to work together. Community volunteer Diddy Cullinane worked with her husband, John, that year to create an event sponsored by Catholic Charities to bring people together. Featuring comedian Bill Cosby, the event was a big success—a lightning rod for what might be possible if communities could work together.

Following the event, Cullinane put together something she called the Black & White on Green Golf Tournament as a chance for business owners to get together and network in a casual and professional way. It was from this golf tournament that the unlikely partnership between Archie Williams and a man named Thomas Stemberg would emerge.

Thomas Stemberg was the founder of Staples, Inc., and over a few rounds of golf the two men created the perfect idea for a business partnership. Williams would make and distribute the toner cartridges and Staples would sell them through their stores. Though Williams tragically passed away in 2002, just months before the deal would start, his daughter Beth picked up where he left off and turned his dream into a reality.

When interviewed about the experience years later, Stemberg would say, ''We haven't ended racism in Boston but we have made a chink in the armor. The work left to be done perhaps requires a more subtle approach than getting people in the room.''

The experience did indeed lead to many other organizations being created over the next decade to create more opportunities for collaboration far beyond the golf tournament. The story of Stemberg and Williams an example of the likeability gap at work: where better personal relationships often lead to stronger business collaboration and results.

Why Relationships Are *Not* about Networking

Many people might call this golf example and the act of building meaningful relationships in general an example of the importance of networking. *Building real and meaningful relationships is not the same thing as*

networking. Networking is often described as a sport. You need to keep score of who you meet. The ultimate goal is always to make sure to connect with as many people as you can, and have your elevator pitch ready to deliver in 10 seconds or less. There are now speed networking events available all over the world—a way to make sure that you never ''waste'' more than about three minutes on a conversation that won't directly help you in some way.

Networking needs to die.

As a result of the way we often turn the act of meeting people into a business necessity, networking is on that unfortunate list of things that people learn they *must* do in order to be successful. It is often described as a rite of passage and necessary evil to rising up in business, with scores of books, training courses, and seminars dedicated to teaching you how to be a better networker. It is now even part of the required curriculum at many business schools. The problem with networking, as best-selling author Keith Ferrazzi says, is that it focuses you on keeping score of who you help and what they should owe you in return.

Relationships don't work when you measure them on a scorecard.

We can all recall a moment when we met someone who clearly was trying to get to know us only as a strategy for being able to sell us something or ask us for a favor later. No one likes those people.

As Ferrazzi writes: ''We vote for the people we like and respect. Great companies are built by CEOs who inspire love and admiration. In today's world, mean guys finish last.''[6]

One man who is often used as a living case study for this (though he passed away in 2007) is former advertising executive and White House aide Jack Valenti, who became head of the Motion Picture Association of America (MPAA) in 1966 and remained at its head for nearly 40 years. During that time, the industry created the parental movie rating system, and more recently led the charge to protect digital copyright of motion pictures in a digital and streaming world.

Valenti's skills in building relationships with politicians and members of Congress, and his loyalty to friends even in the face of unwanted

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publicity, was legendary. As he would often say, ''In a political struggle, never get personal—else the dagger digs too deep.'' He was a Texas man, known for his colorful expressions.

What Valenti knew intuitively was that the power of his personal relationships made people much more likely to understand and be sympathetic toward his point of view and be open to helping support him and the efforts of the MPAA. He was a master at navigating the likeability gap.

Valenti also worked in an industry where the importance of bridging the likeability gap comes up every day. Especially when your challenge is convincing a dozen of Hollywood's most famous stars to take a big pay cut.

Getting Julia Roberts

When self-made Hollywood agent and movie producer Jerry Weintraub decided to remake the old Frank Sinatra film *Ocean's Eleven* in 1998, he had the crazy idea to get a dozen of the hottest actors in the business at the time to take a huge pay cut and be part of a film. Everyone in the industry had told him the idea was impossible. But Weintraub started simple. He went to two friends he knew and respected—actor George Clooney and director Stephen Soderbergh—and convinced them both to agree to be part of this film.

Even with those two on board, everyone knew that no film (even one with a big budget) could afford to pay millions of dollars each to a cast of a dozen actors all used to being in a leading role. As Weintraub recalls in his personal memoir, *When I Stop Talking, You'll Know I'm Dead*, getting the rest of the actors was all thanks to the relationships and likeability of Clooney and Soderbergh.

The two personally went to each star and helped convince them to be part of the ensemble cast for a fraction of what they would usually make per film. When they sent the script to Julia Roberts (who usually gets $20 million per movie), they attached a 20-dollar-bill along with a note that said, ''We know you get 20 for a movie, but you will have to work for a little less on this one.'' She agreed to do it, and they quickly also signed Andy Garcia, Matt Damon, Don Cheadle, and Brad Pitt.

When asked later why they agreed, each said a personal relationship was the most important thing. They just liked each other enough to

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want to be part of a unique project, regardless of the money, and the movie got made.

As we have seen so far in this chapter, people and personal relationships matter in every situation—from trying to make a movie to building a business cleaning toilets. But there is still one question left to answer, and it is an important one.

In all of this focus on being more likeable, how important is it to have a good product or service or idea? If you lived in an ideal world, everything you said and every product you were trying to sell would have a ''blue ocean''—an open marketplace where you filled a need that no one else was filling. Of course everyone should aim for originality. Every product should be a year ahead of its competitors, like the iPad. Every job you shoot for should be a perfect fit for your skills. Every service should be unlike anything anyone else might offer.

Counting on originality, however, isn't always the best bet. Standing out based on being completely different from everything else around isn't just hard—in some cases it may be fairly close to impossible. The reason why comes down to the fact that we are in what you might call the ''age of equivalence.''

The Age of Equivalence

The Age of Equivalence describes a time when almost every product or service will have a competitor (over time) that will become nearly indistinguishable from the original.

Facebook is not the most popular social networking site in Russia, and according to many expert analysts, it may never be. Instead, Russians have their own regionally built social network called Vkontakte (or ''virtual contact''), which has close to 150 million users (as of late 2011) and is the leading site in Europe in terms of user visits, page views, and the amount of data transfers per day.

The fact that there is a customized Russian-language social network is not particularly surprising, but if you spent any time looking at Vkontakte, you would notice one very startling fact—it *looks* almost exactly like Facebook.

Much of the functionality is the same, the way the network allows you to connect with friends is similar, and even the bold white letters

of the logo on a blue background remind you of Facebook's logo. In fact, it is often called a ''Facebook clone,'' and there are many other examples of this with social networking sites around the world.

In China, a site called Weibo has done the same thing to Twitter, cloning much of its functionality and becoming the leading microblogging site in China, nearly twice the size of Twitter. This trend is bigger than just cloned versions of social media sites.

Some companies even manage to clone *their own* products so effectively they may not even need competition. Last year when I purchased a computer monitor from Samsung, I chose two products to compare. They had identical model numbers, but one had ''HD'' at the end of the number and the other had ''BD''—they were almost the same except a few plugs at the back. There were four other models in the same size with similar features that I could also have chosen.

Unfortunately, confusion has become commonplace:

- Sony sells nine different models of 46-inch television sets in the United States.
- Pepsi makes 14 flavors of SoBe Lifewater, including SoBe Lifewater Strawberry Dragonfruit, SoBe Lifewater Strawberry Kiwi, and SoBe Lifewater B-Energy Strawberry Apricot. And just in case Lifewater is not your thing, SoBe Smooth Strawberry Banana or SoBe Sugar-Free Adrenaline Rush are always available.
- When you walk into a pharmacy to purchase a painkiller, you are faced with a choice of either Tylenol or a more generic ''acetaminophen.'' Pharmacologically, they are identical.
- A typical Walmart has more than 100,000 products, and the inventory changes regularly.
- In 2004, two different reality TV shows featured women who could help struggling parents to discipline their out of control children. One was called *Nanny 911*, the other *SuperNanny*. The same year, *Trading Spouses* and *WifeSwap* both premiered within weeks of each other (you can guess the premise behind both of those reality shows).
- Mutual funds can appear to be the same in terms of the investments they carry and only really vary in terms of particulars like management fees and performance.

Clearly, it has become harder for anyone to produce a product, service, or idea that feels completely original. So in a world where it is so hard to stand out, how can we rediscover our own originality in anything we want to accomplish?

How Originality Died—and How We Can Get It Back

The American poet and activist Audre Lorde is credited with the famous saying: ''There are no new ideas. There are only new ways of making them felt.'' The saying came to my mind several years ago, while I was attending the South By Southwest (SXSW) Music, Film, and Interactive Festival—a several-week-long celebration of arts, music, film, and business held in Austin, Texas.

That year a panel had been put together to look at the rise of China in the global marketplace, and featured an appealing title: ''Social Media and China: It's Not What You Think.'' One of the lessons shared on the panel was that the Chinese model of innovation had a very fundamental difference from the one used in many other parts of the world. Using a model the panelists called the ''5 Cs of Chinese Innovation,'' the first ''C'' stood for a surprising principle: copy. Most innovative ideas in China, the panel concluded, always started with a decision to copy and build from something that had already been done and try to improve it.

It was just one example of how innovation itself might be changing in response to the world around us. Consider, for example, the three critical factors driving the age of equivalence:

1. **Speed**—When faced with the deadline-driven pressures of business, the easiest thing isn't to create something entirely original but rather to refine something that already exists. This is the inspiration for the Chinese model of innovation mentioned above. Unfortunately, it often leads to marginal differences and products that appear on the surface to be mostly the same.
2. **Lower Barriers of Entry**—There was a time where you needed to have specific connections with manufacturing groups, lots of financing, and an official presence in order to launch a business.

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Now people can work virtually, find an outsourced manufacturer, and create and launch new products in record times. It is only a very small handful of industries (such as aviation or biomedical engineering) where larger barriers to entry still exist.

3. **Reverse Engineering**—Almost before any device hits the store shelves, there are teams of engineers looking at its inner workings to dissect and recreate it. To some degree, this leads to illegal activities like piracy or the global counterfeit market for generic drugs. In other cases, this simply means companies can improve their competitive products and release them rapidly after the market leader comes out.

The sad truth is, in many cases, things are harder and harder to differentiate from one another because they *actually aren't that different*. It points to a big disconnection between the theory of strategy and the reality of business. How does the theory of differentiation work in a world where any competitive advantage can be erased almost overnight by a competitor willing to watch and learn from your example and improve upon it in real time?

The Differentiation Ideal

The most obvious way to avoid becoming a mere clone of your competition is to truly do a better job of differentiating by actually *being* different. Professor Youngme Moon is one of the most popular teachers at Harvard Business School. In 2010, she published a brilliant book called *Different*.

In the book, she looks at brands that manage to do this and proposes a unique and important theory as to why differentiation happens. Brands like IKEA or Google, which she uses as great examples of differentiators, have the ability to be, as she calls it, ''lopsided.'' Instead of trying to be all things to all people, they find a way to double down on the things that they are great at and remain unapologetic about the things that they don't do well.

The most powerful thing about reading *Different* is that it offers its own lopsided academic view of the rationale for focusing on being different. Professor Moon doesn't apologize for her idealism, either. Yet, throughout the book it is clear that very small few brands are able to meet this ideal. It doesn't mean that we all shouldn't try for truly

being different, but I would argue that there is a bigger challenge in spending all of your time and effort on differentiation of a product, business model, or idea.

The upside of this conclusion is that you might fall short on creating true differentiation, but yet you might still find success. The reason for this is clear if you look at the reality of how we buy products, as well as how we choose which people to believe or follow.

Differentiation is hard to accomplish, and even harder to maintain. In a world where almost any product or idea can be copied relatively quickly, the only competitive edge that lasts is what you can build based on relationships.

The fact is we don't always need (or get) something that is completely unique. In fact, if there ever was a force that could counteract this need to be different in order to stand out, it would be the strength of a personal connection.

Here's a personal example. The Guatemalan coffee that I buy from my local farmer's market really doesn't taste that different from the coffee I could buy at my local grocery store. The package size is the same, and it is actually more work for me to wait until Saturday and then drive to the farmer's market to buy the coffee. Yet, every weekend I do exactly that. Why? Because I have a personal connection with Mimi, the lady who sells it.

Mimi has family in Guatemala who help her source and import the coffee. She knows the names of my kids. She always has a coffee waiting for me at the stall along with the bag of beans that I buy, and all of that makes the extra effort and expense worth it. How many other things we buy fall into exactly the same category? Certainly any commodity product that is the same at any retail location. As well as commodity services which are indistinguishable from one another (getting your car washed, for example).

Having a game-changing product or innovation will always matter. As long as no one else is selling the iPad, or the Walkman, or vitamin-enriched water, or ready-to-assemble furniture, you have a competitive advantage. If no one else knows how to translate documents from Swahili into Swedish, or fly a rescue helicopter into the mountains, you can probably charge any fee you want for those services because they

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are desperately needed. Those situations, though, are relatively rare and only work in the short term.

In the long term, the only thing that can help the most successful organizations and people differentiate is based on their human elements, and not only on what they sell or what they say.

The Likeability Gap and the World

This book, and this chapter in particular, offers a very specific view of the world. It is a people-centric view. In this chapter, we learned that the people who are able to inspire their teams to give the extra effort are the ones who are able to make a connection on a human level. We saw that engagement can be a choice, and getting the people around you to *choose* to do more is the surest path to being more successful.

The Likeability Gap is a simple principle that can often mean the difference between success and failure. It is why people who manage to forge new relationships with others based on ''weak ties'' are more successful at finding a new job and starting social movements. It explains the often spoken about phenomenon of big deals getting done on golf courses and people deciding instantly based on a sales pitch and meeting whether they will buy a product or not, regardless of a product's features.

Still, the argument is not complete without taking a hard look at how you might describe (and measure!) the real importance and impact of likeability on everything from helping a great idea survive to helping a small business to prosper. To do that, we need to turn our attention to the three favorite letters for analytical businesspeople—ROI—and everything we understand (and misunderstand) about it.

CHAPTER 2 IN 60 SECONDS #LIKEABILITYGAP #LIKEONOMICS

- We live in a world where simply having a good product or service isn't enough.
- No matter what they sell, every business in the world is a people business on some level.
- Only 20 percent of the average workforce is fully engaged, but people want to do more.

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- The secret to motivating people is based on three elements: purpose, empowerment, and appreciation.
- Leaders who are able to motivate best are driven, humble, and likeable.
- The Likeability Gap describes the difference between what someone does because they *have* to and what they do because they *want* to.
- Building meaningful relationships is the key, but it's not about networking or keeping score.
- Differentiation of products or services is harder than ever, because most things can be copied fast.
- The most successful organizations and people differentiate on more than what they sell.

Key Takeaway: The Likeability Gap describes the difference between what people do because they *have* to, and what they do because they *want* to. In a world where just having a good product or service isn't enough, the likeability gap explains why some people and organizations succeed and some fail.