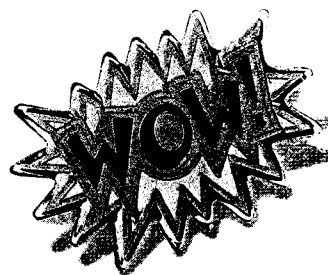


Now That  
We Live in A  
Tom Peters World ...



# Has Tom Peters Gone Crazy?

*Once a counsel to  
business titans, guru  
Tom Peters now lobbs  
exclamation points  
at middle managers.  
How did he get here?*

BY MARK GIMEIN

IF YOU KNOW ONE THING ABOUT TOM PETERS, YOU KNOW about his first book, and if you know two things, the second is that he hasn't written a book as good as that since, and if you know three things, the third is that sometime in the 18 years since that first precious book, he's gone bonkers.

That's the line on Tom Peters. That somewhere along the way, somewhere between telling business people that they had to face up to the need for a management revolution and posing for photographs in his boxer shorts, somewhere in the movement from Thomas J. Peters, McKinsey partner, to Tom Peters, business guru at large, to "!"—the ever present red exclamation point logo that identifies him as he barnstorms through the shiny new convention centers of America's edge cities—Tom Peters has lost his mind.

You hear it in the reviews and the biographies, in the invariable verdict that the latest book has yet again failed to live up to the legacy of the first. You hear it in the awkward pauses of the corporate chieftains who profess to be influenced by Peters. You even hear it echo quietly in the elaborate compliments of his closest friend and mentor, Warren Bennis: "Tom is the incarnation of the Emersonian celebration of the American insouciant self—he is Emerson and Thoreau and Whitman." Sure, it's a beautiful line, but in the vocabulary of American business, Peters' chosen milieu, doesn't "Whit-

#### INSPIRATIONAL?

*Peters promotes "Wow" projects. And sells the pins (above) too.*

sonian celebration of the American insouciant self—he is Emerson and Thoreau and Whitman." Sure, it's a beautiful line, but in the vocabulary of American business, Peters' chosen milieu, doesn't "Whit-

JESSICA WECKER



MARK RICHARDS (4)

**A ROCKIN' ADVENTURE** Tom Peters barnstorms America's convention centers (shown here in South San Francisco) spreading the word.

manesque" sound awfully close to a euphemism for "crackpot"? Indeed, there is no shortage of evidence that can be adduced to make the case that the man who was at one time perhaps the most insightful critic of American corporations has fought his way to some isolated isle of irrelevance. Where once Peters told American executives to emulate Hewlett-Packard and 3M, his models now are as likely to be "DeeeeMarvelous" De-Mar plumbing of Clovis, Calif., or Khouri's corner deli in San Francisco. There are the incessant exhortations to turn your latest accounting initiative into a "Rockin' Adventure." There is a profusion of exclamation points lined up like guideposts along the road to self-actualization, a heap of exclamation points that would put Tom Wolfe, the great exclamer of American letters, to shame. And most of all there is The Act, the Tom Peters Seminar, a seminar in which Peters lobbs ever more exclamation points at his terrified audience of accountants, salespeople, and IT managers. A seminar at which Peters discharges

**After The Book, it was impossible to talk about business the old way.**

a six-hour, 135-word-a-minute fusillade composed of equal parts clever aphorisms ("There is no future for the person whose identity is 'Desk 163'"), well-worked-over chestnuts ("I don't think education has a lot to do with the number of years you're incarcerated in a brick building being talked down to"), and seriocomic provocations ("Fire all male salespeople!"). A seminar in which this maestro of efflorescent public fury tends to unload on targets as big as the stupidity of American business and as puny as the "putrid" L.L. Bean Website.

It can seem, to the casual observer, that Tom Peters has chosen a self-imposed, borscht-belt exile. Here is Peters at 57 (finally looking just a bit professorial in his characteristic sweaters and vests), the onetime darling of American business, a brilliant analyst of the culture and structure of the corporation, preaching a message of New-Agey self-reliance, of "Wow projects" and personal "branding." Here is Peters—who could have been a high priest of the corporate world, could have comfortably spent

his days communing with nobody below the rank of executive vice president—squandering his analytical talents on a long-running sideshow for the managerial masses. A peculiar exile for a man who avers, with his characteristic withering contempt, that “walking on coals with Tony Robbins is about as attractive to me as going and having my wisdom teeth out for the second time,” and yet having abandoned his project of transforming the American workplace in favor of transforming the American worker, teeters ever so perilously close to the dark well of Robbins’ evangelical self-improvement. How did we ever get here?

**T**o figure that out, we need to go back to the beginning, which in the case of Tom Peters Inc. is the publication of *The Book*. It’s an exercise carried out reluctantly because *The Book*, *In Search of Excellence*, is almost two decades old, and almost everything of value there is to say about it has already been said. So let it be stipulated that *In Search of Excellence*, which Peters co-authored with McKinsey colleague Robert H. Waterman, created the modern business bestseller. By the time *Search* was published, Peters had annoyed and ignored his McKinsey partners enough to get himself fired. But no matter. *Search* invented Peters as the first celebrity of the business speaking circuit, once anointed by no less an authority than the *Guinness Book of Records* as the world’s highest-paid management consultant. Its success unleashed upon the world a profusion of well-heeled business gurus. Let it also be stipulated that many of the examples of corporate excellence that *Search* presented, such

as Intel and Johnson & Johnson, have stood the test of time, while still others, such as the videogame pioneer Atari or Digital Equipment, have conspicuously flamed out.

Let it finally be stipulated that *Search* was influential, though exactly what its influence consisted of is still, after all these years, open to question. In some cases its “influence” seems accidental, a lucky collision of circumstances in which Waterman and Peters’ message of fanatical devotion to customers paralleled and reinforced the principles of Total Quality Management and Six Sigma perfectionism then starting to grip American business.

But even if it were to have done nothing else, *Search* irrevocably changed the language of American business, suffusing it with the soft rhetoric of individual achievement. The fact is, you don’t even need to have read Tom Peters to be living in Tom Peters’ world. The precepts of *Search* are now so much a part of the conventional wisdom that it is hard to see why that mattered at all. “Six or seven years ago,” Peters says, “I had this wonderful exchange with *The Economist*, which said, ‘Tom Peters got rich by saying listen to your customers. Isn’t that a joke?’ Yuk, yuk, yuk. I sent a letter back, which they were kind enough to publish, and I said, ‘I agree it’s old news now, but you can’t believe how many arrows I had shot into my back by my McKinsey partners back in 1982 when strategy was everything and the plan was everything, and suddenly Waterman and I humanized the damn thing and said customers are important, people are important, and so on.’”

*Search* was not just a business book, it was Peters’ cultural and moral critique of business. His own moral voice is particularly evident in the savagery of the book’s attack on “by the numbers”



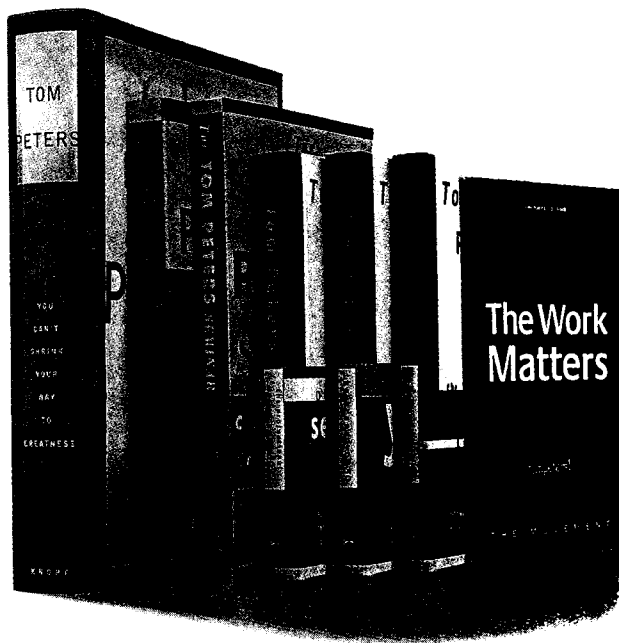
THE BOOK that launched a thousand gurus. Peters and Waterman celebrate the success of *In Search of Excellence* at a 1983 book party.

management, a management style that he sees beginning in Frederick Taylor's famous time-and-motion studies of factory workers and reaching its ugly apogee in the body count arithmetic of Robert McNamara's Vietnam. After *The Book*, it became impossible to talk about business the old way. The new way of talking about business, the new way to which *Search* was the preface, involved words like "listening" and "empowerment" and "ownership."

The Book spoke to a generation of business leaders humbled by Japanese manufacturing prowess, telling them how to reshape their companies into winners. *Search* wasn't written exclusively for these men, but they were the ones on whom it could have a real impact—on their businesses, their workers, the whole damn culture. And he did reach some of them. "In *Search of Excellence* was a revelation for me. I had been doing or attempting to do many of the things that Tom set forth. Now I had some strong backing for what I was doing. He kind of organized it for me," says Herb Kelleher, the iconoclastic and enormously successful Southwest Airlines CEO, a longtime Peters friend and fan. (For more Kelleher, see "Outlaw Flyboy CEOs.") Two decades later you'd be hard-pressed to find a chief executive of a major American company who doesn't start a list of what's important to his or her corporation by saying "our people"—and a great many, if only for show, will claim that as Nos. 1, 2, and 3.

And yet you would also be hard-pressed to find a big-company chief executive who admits to being influenced by Tom Peters, c. 2000. The people Peters addresses today sit in the corporate middle and tend to come out of his lectures and seminars saying that the sessions were "thought provoking" or "inspiring" or "exciting." Occasionally they are inspired to write fan notes to Peters. Sometimes they are even inspired to busy themselves with the launching of marketing initiatives and the production of PowerPoint slides. One naval officer wrote to Peters a week after hearing him in San Diego to inform him that he'd promptly embarked on the "Wow project" (Peters-speak for a big idea) of turning his unit into a "Professional Services Firm" (Peters-speak for a bunch of independent, well-trained professionals who think in terms of Wow projects). It is for these reasons that people who do not know Peters tend to think of him as an Inspirational Speaker. People who do this tend to locate him in the great American line of Emersonian inspirationalists, if they are of a literary bent, or in the less lofty line of Dale Carnegies or Stephen Coveys who have plagued the American psyche since Ben Franklin penned his *Poor Richard's Almanac*.

Peters himself is hyperconscious of this perception, and alternately bemused, ticked off, and concerned by it. At times he will make a joke of it, pointing out that his latest book, *The Project 50* (one of three minibooks in a series titled *Reinventing Work*) falls in



THE PETERS OPUS runs from analysis to exhortation.

Amazon's sales ranking right above *The Pilates Body*, a guide to the faddish muscle-toning exercises. But more often he is concerned. When asked to distinguish himself from the inspirationalist tradition, Peters says, bluntly, "I dearly hope I am not a snake oil salesman." Peters will admit that his work is not as academic as that of, say, Peter Drucker, but he himself places it in a tradition of writing about leadership that is no less serious. In fact, when he discusses this, Peters, the professional iconoclast, pointedly aligns himself with the icons of conventional management wisdom. "I hope," Peters says, "I'm a legitimate member of the Drucker/[Michael]Porter/[Gary] Hamel/[Henry]Mintzberg panoply of whatever."

There are a number of reasons why this is more than posturing. For one thing, Peters has, in fact, given the American executive estate a startling amount of rigorous business advice, much of it based on systematic exploration of what some might call "best practices" of the corporate world. Peters bestowed on managers eight rules to live by in *Search*, four in *Passion for Excellence*, and a full 45 in *Thriving on Chaos* (published in 1987). His last "conventional" business book, *Liberation Management*, runs 800 closely researched pages, ranging over everything from the Union Pacific Railroad to the German toymaker Playmobil, and is so bloated and crammed with management wisdom, example, and analysis that it is a veritable *reductio ad absurdum* of business books.

More important, Peters is on at least two counts temperamentally very much at odds with the spirit of American inspirationalism. The first of these is Peters' intense and finely honed anger. The fact that Peters is perpetually angry, even when he is having a ball, is not lost on the people who know him



THE PASSION! The T-shirts! Tompeters!

well. Peters himself is fond of quoting his collaborator Robert Waterman's line that he's not really happy unless he's angry. But that line does not really do Peters' anger justice. Peters himself calls his anger "the anger of a pissed-off analyst rather than that of a Baptist preacher." It is an anger that is carefully modulated, that is reflected in the rise and fall of his voice, that in performance he turns on and off with startling ease. If it has any parallel, it is the anger of H.L. Mencken, the man who coined the memorably succinct phrase *The Great American Stupid* and went on to furiously and hilariously catalog its many permutations. Peters, for his part, catalogs *The Great Corporate Stupid*.

The second is Peters' willingness to engage in debate. When he discusses his own work, Peters is at least as likely to own up to his mistakes as to his successes. Mention *Passion for Excellence*, and Peters rushes to note that Stew Leonard, profiled in the book for his supermarket's extraordinary sense of what appeals to customers, promptly earned himself a stint in the federal penitentiary for a humongous tax fraud scheme. Peters likes arguing and is fully capable of being not only persuasive but persuaded. He even likes arguing with himself. "I wrote a column in which I summarized the ten or 15 major things that I had been propounding for the last 15 years," Peters says, "and then made a big case for the antithesis of them. And it was a genius column." (It speaks to Peters' considerable personal charm and comic timing that somehow he can get away with calling himself a genius without making his interlocutor puke.)

It's tempting to listen to this and guess that Tom Peters' latest incarnation is just another move in the game of Tom vs. Tom. Where once he counseled corporate chieftains to emulate Frito-Lay and treat their delivery people as "heroes," where once he informed corporate America on how to push power down, how to create winning teams, now he tells American workers to break out of their cubicles, to stop trying to make incremental improvements in "quality," to keep a résumé on file, to think of themselves as a "brand" and their corporation as a stepping stone. Corporate counselor become corporate heckler—it's all part of the same game, isn't it?

Or is it? What if it's not a game? What if Tom Peters isn't just making "a big case for the antithesis" of everything he told business leaders a decade or two ago? What if Tom Peters c. 1982 really was wrong? What if having dug the foundation for Big Think Inc., having made the world safe for big-thinking gurus like Benis and Hamel, having become what he himself calls "the theater of transformation of corporations," Peters was ... wrong. Not exactly wrong in his prescriptions, but wrong in thinking that the whole guru game was worth playing, wrong in thinking that he could transform life in the workplace by writing books for CEOs? That would be a heck of a troubling conundrum for Big Think Inc.

**T**he thought that, just maybe, Tom Peters was wrong first occurred to me sitting in Peters' Palo Alto apartment—a pad in the middle of Silicon Valley that Peters, whose primary home is a farm in Vermont, gets to only about twice a month. I was sitting comfortably in an Eames chair, evidence of one of Peters' obsessions, *The Design Thing*. The phone rang incessantly as frantic conference organizers tried to reach him for a long-scheduled and utterly ignored phone call. Peters,

with the barest minimum of prompting, had launched into one of the usually brilliant and occasionally befuddling monologues that are his trademark both tête-à-tête and on-stage, and in one of these monologues he told what I have come to think of as *The Story of the Gifted Freak*:

The story starts with Peters on location, researching and shooting a documentary about leadership. "I interviewed this high school principal," Peters narrates, "whose name was Dennis Littky, famous for turning around a troubled school. I spent a day with him, and I adored Dennis. Paul, the guy who was producing the film, was an old *60 Minutes* director, and I said to Paul at the end of the day, 'This has been the biggest waste of a day in our joint time together.' He said, 'What do you mean?' I said, 'All it proved is that there are six billion people on earth, and one of them's Mother Teresa.' He had such a delicate neurosurgeon's touch with kids, there's nothing anybody can learn from him."

*There's nothing anybody can learn from him.*

Anybody who approaches the project of transforming the corporation with the naive confidence of Tom Peters c. 1982, with the naive confidence of Big Think Inc., with any confidence at all, can't help but stumble over that line. Because the more one talks to Peters and the more one reads his later books, the more one recognizes that Peters through the '90s has spent more and more time talking about gifted freaks—examples that are impossible to emulate.

And no wonder. Though Peters claims to subscribe to a "learned optimism," it is clear that more than any of his critics, he is depressed by

the meager return on investment that he gets from management books. For one thing, he doesn't believe that very many managers read them. (In one e-mail he quotes a nugget from a Harvard professor who noted that "managers don't read management books, they just collect them.") For another, and more important, the more one talks to Peters, the more one notices that he continues to find the American corporation a dreary and depressing place to work. In private he talks of the "trapped spirit of the 43-year-old working at the Bank of America or Ford"—a spirit no less trapped than it was when he started his work. And he calls working for the German company Siemens—the very corporation for which much of the research that became *In Search of Excellence* was originally undertaken—"the closest thing to working for a Communist state."

When all the corporate reengineering, the Six Sigmafying, the hierarchy flattening is done, few corporations really change. Most don't. It all comes down to the freaks vs. everybody else. Ask Peters about General Electric's Jack Welch, a chief executive he admires (though the comic, needling Peters also makes sure to mock *FORTUNE* for admiring the man ... way, way too much), and he shoots back, "What does Welch prove except that among six billion people there's a real freak?"

The more closely one looks at Peters' books, the more easily one can chart the progress of his thought away from the details of corporate process and toward the chronicle of *The Gifted Freak*. In *Liberation Management*, Peters devotes a long chapter to Mike Walsh, the CEO who engineered a dramatic turnaround at Union Pacific, a turnaround that involved the elimination of five layers of management and led to a dramatic improvement in all the metrics that define a railroad corporation—on-time arrivals, maintenance costs, derailments. In that book Peters never even mentions that at

## Peters' anger is directed squarely at *The Great Corporate Stupid*.