

The Beatles Principles (Part III)

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By Andrew Sobel

The Fab Four sold over 1 billion records, tapes, and CDs, and 36 years after their breakup they remain, in many ways, the world's most popular band. Most importantly for us, they managed to create a whole that was far greater than the sum of the parts—no doubt the goal of any services firm. This article is the second in a three-part series on lessons from the most successful pop group in history.

Parts I and II, published in October and November, presented Beatles Principles 1 through 7:

Beatles Principle Number 1: *Invest in and build face time between team members well before they are asked to pitch to a client.*

Beatles Principle Number 2: *Evolve your "songs" and bring the same level of ideas, new perspectives, excitement, and enthusiasm to your hundredth meeting with a client that you brought to the first.*

Beatles Principle Number 3: *Cultivate humility and self-effacement in your dealings with others, especially when you're on the heels of great success*

Beatles Principle Number 4: *Use humor, especially self-deprecating humor, to ease tensions, show you are human, and create an emotional connection with colleagues and clients.*

Beatles Principle Number 5: *Help team members become brands-within-a-brand by giving them a song — an idea proposal — that will help them to shine.*

Beatles' principle number 6: *Carefully craft the first 60 seconds of all your communications—the opening measures of your songs—to command your audience to listen.*

Beatles Principle number 7: *Show your public—your clients, in every interaction, that you truly like them.*

Here are principles 8, 9, and 10, as well as my conclusion:

8. Two of Us: Sharing the Credit

When they first started out, Lennon and McCartney fancied themselves as following in the tradition of great songwriting duos, such as Rogers and Hammerstein. They agreed early on to credit all of their songs "Lennon/McCartney" and take equal percentages of the publishing royalties. This arrangement, although it occasionally irked the two songwriting geniuses later on, had a profoundly positive impact on the actual nature of their collaboration. They freely exchanged ideas, helped each other improve their songs, and never (at least not until many years later, after they broke up) made an issue out of who actually had written what. The opposite was also true: George Harrison was initially given a far smaller royalty share than Lennon and McCartney, and it discouraged, to some extent, his songwriting in the early days. Later, George even wrote a sarcastic song called, "Only a Northern Song," a jab at the tiny royalties he was receiving from the Northern publishing venture that owned the early Beatles songs. Overall, however, The Beatles always presented an image of four equal partners, and certainly in the public's mind, even Ringo came across as a critical member in the group—**with** one of the four, The Beatles would never, ever truly be The Beatles. Years later, in 1996, the surviving Beatles were offered sums of money approaching one billion dollars to put on a reunion tour. George Harrison's response was unequivocal: "As long as John Lennon is dead there will be no Beatles reunion."

Many powerful business cultures have been shaped by insisting that credit and compensation reward team efforts. Egon Zehnder, the blue-chip executive search firm, is an excellent example of the Lennon/McCartney "equal credit" philosophy in action. Says founder Egon Zehnder, "We prefer to stick with the old-fashioned way to pay?There is no formal procedure for tracking the performance of country offices, let alone individuals." Partners are given equal profit shares each year, adjusted only for tenure at the firm. The result is an unparalleled amount of cross-border and cross-office teamwork in the service of large, multinational clients, and a partner turnover rate of less than 2% per year. Goldman Sachs, another example, has always emphasized team contributions in assessing the performance of its partners. A typical performance review may involve interviewing dozens of other professionals that a partner has worked with over the year, to understand how effective he or she has been as a banker and as a team player. A recent Fortune article about Goldman entitled "Inside the Money Machine" begins, "Start with the physical surroundings?There's nothing that shouts 'Goldman Sachs' or 'money.' Inside, you're struck not by elegance?but by the shabby state of affairs?Nor will you spot a lot of flashy investment bankers." Goldman does vary partner pay more than Egon Zehnder, but its approachâ€”highly unusual on Wall Streetâ€”has created a legendary teamwork culture, as opposed to a star culture where the highest-paid investment bankers are publicly glorified (and then frequently leave for the next better offer).

It's a truism that teams should share credit equally among members, but in reality this rarely happens. Most businesses remain convincedâ€”or behave as if they are convincedâ€”that leveraged incentives and the glorification of individuals produce the best performance, despite evidence to the contrary. The Beatles had a better approach.

Beatles Principle number 8: *Create a one-for-all, all-for-one culture by fostering a "Lennon/McCartney" equal-credit environment for teams.*

9. Revolution: Having Conviction

The Beatles were not just another fluffy pop group which churned out love songs and counted the royalties. During The Beatles second tour of the United States in 1964, the foursome learned that one of the stadiums in their tour, in Florida, was segregatedâ€”there were still separate seating areas for whites and blacks. They immediately held a news conference in New York and announced that The Beatles would, unequivocally, refuse to play in segregated venues. Historians say that The Beatles were, in fact, the first major white musicians to publicly denounce racism in the music business. The Beatle who was in many ways the most revered member of the group was John Lennon, who had enormous conviction about many political causes. His songsâ€”think, "Give Peace a Chance", "All You Need Is Love", "Revolution", and "Imagine"â€”reflected his political and moral convictions, and he became the virtual spokesman for the antiwar movement in the United States in the late 60s and early 70s.

Especially in the client marketplace, but internally as well, conviction is a hallmark of great professionals. Boldness, not blandness, differentiates your message in a world of information overload. True conviction is based on standing for something and being clear about your core values and beliefs.

Beatles principle number 9: *Make sure your communications resonate with passion, belief, and sincerityâ€”with conviction?*

10. I Need You: Greatness from Differences

Research shows that most managers hire individuals who are like themselves, in effect assembling homogeneous teams in their own image. The most successful songwriting duo in history, in contrast, was composed of two individuals â€”John Lennon and Paul McCartney â€” who were dissimilar in almost every respect. When they first met, in July 1957, Lennon was a cynical, angry, sarcastic young man of 16 who was constantly getting into trouble at school. Ultimately, he would come to loathe the Beatles' fame. McCartney, on the other hand, was optimistic and hardworking. He liked to please, and would later adore celebrity. Despite their differences, they were drawn together by a shared love of American rock and roll and

their powerful musical ambitions.

As McCartney would sing, "I've got to admit it's getting better," Lennon would chime in with a dour counterpoint, "Can't get much worse." They complemented each other's musical ideas, and constantly pushed each other to come up with better songs. They balanced each other's temperaments, and each sometimes curtailed the other's excesses. Lennon's lyrics made you think, while McCartney's haunting melodies could send a tingle up your spine.

The Beatles showed us that differences and friendly competition fuel team creativity. So does a blend of specialist and generalist abilities. McCartney and Lennon were what I call the "deep generalists" of the band. They each had broad musical and artistic talents — both could play a range of instruments, for example — and it was this breadth that fueled many of the Beatles' innovations. George Harrison and Ringo Starr, in contrast, were the "branded experts." Harrison played lead guitar and Starr played drums, and they stuck to their knitting. As a result, the lead guitar solos grew ever more inventive, melodic, and moving. Starr developed a highly idiosyncratic and recognizable drumming style.

The art of creating effective teams lies in how you blend together branded experts and deep generalists. Unfortunately, many corporate teams are overloaded with specialists who fail to put their products and services into the client's broader business context — they save the leg but let the patient die. The harder figure to develop is the deep generalist. That takes a mix of careful hiring, creative career management, and broad-based skills development over time. Sprinkle your teams of branded experts with a few deep generalists, and the result will be powerful.

Beatles Principle number 10: *Put exceedingly diverse professionals on the same team, mix specialists with generalists, and foster friendly competition to produce the best ideas.*

And in the End

The Beatles' breakup in 1970 raises a big question: How do you keep a superstar team together after it has reached the top? How do you keep the creativity, drive, and motivation going once you've vanquished all enemies? Bill Gates, no doubt, has had a few sleepless nights thinking about that one.

In the last 36 years the Beatles' brand — and brands — have only continued to grow, and their record company reports teenagers are major purchasers of Beatles' records today. When their collection of hits, "1", came out a few years ago, it simultaneously went to number one on the charts in over 30 countries around the world. The just-released soundtrack to the new Cirque du Soleil show, "Beatles Love", which features 25 remixed Beatles songs, has also just hit the top of the charts. Paul McCartney, at aged 64, continues to sell out live performances around the world, and John Lennon's star has only grown — last year a large Rolling Stone magazine poll named him the greatest rock 'n' roller in history, one slotted above Elvis! Not bad for a band that stopped performing live for audiences in 1966.

At the core of the Beatles was their great music, a wonderful asset — but they had more than that. We cannot imitate the Beatles' native genius as songwriters and musicians, but we can borrow from the other parts of their success and apply what we've learned. The Beatles remind us that the essence of any successful organization is small teams of individuals who do things they love, have fun together, and feel part of a greater whole while maintaining their individual identities.

The cure for "grinding it out" is available; the principles are there for the taking. Put on Sgt. Pepper's or Abbey Road, sit back, listen, and relax. Watch a few of those old clips of the Beatles' raucous press conferences, or their exultant performances on the Ed Sullivan Show. I'm betting you'll see what I mean.

Here is a summary of the ten Beatles Principles:

Beatles Principle Number 1: **Eight Days a Week--Face Time:** *Invest in and build face time between team members well before they are asked to pitch to a client.*

Beatles Principle Number 2: **Getting Better--Evolving Your Songs:** *Evolve your "songs" and bring the same level of ideas, new perspectives, excitement, and enthusiasm to your hundredth meeting with a client that you brought to the first.*

Beatles Principle Number 3: **Nowhere Man--Practicing Humility:** *Cultivate humility and self-effacement in your dealings with others, especially when you're on the heels of great success*

Beatles Principle Number 4: **Ob-La-Di, Ob-La-Da--Using Humor to Connect:** *Use humor, especially self-deprecating humor, to ease tensions, show you are human, and create an emotional connection with colleagues and clients.*

Beatles Principle Number 5: **With a Little Help from My Friends--A Role for Everyone:** *Help team members become brands-within-a-brand by giving them a song "an idea or proposal" that will help them to shine.*

Beatles' principle number 6: **Here Comes the Sun--Honing Your Opening Measures:** *Carefully craft the first 60 seconds of all your communications"the opening measures of your songs"to command your audience to listen.*

Beatles Principle number 7: **P.S. I Love You: Liking Your Public:** *Show your public"your clients, in every interaction that you truly like them*

Beatles Principle number 8: **Two of Us--Sharing the Credit:** *Create a one-for-all, all-for-one culture by fostering a "Lennon/McCartney" equal-credit environment for teams.*

Beatles principle number 9: **Revolution--Having Conviction:** *Make sure your communications resonate with passion, belief, and sincerity"with conviction"if you want to be noticed by busy executives*

Beatles Principle number 10: **I Need You--Greatness from Differences:** *Put exceedingly diverse professionals on the same team, mix specialists with generalists, and foster friendly competition to produce the best ideas.*

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