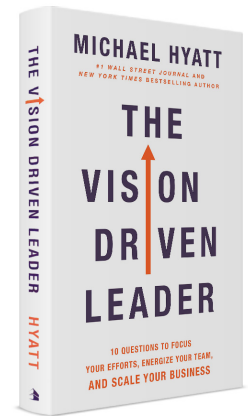


The Vision Driven Leader

10 Questions to Focus Your Efforts, Energize Your Team, and Scale Your Business

by **Michael Hyatt**



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THE SUMMARY IN BRIEF

Vision is the essential ingredient for successful leadership. Unless you have a clear picture of where you want to lead your organization, nobody will follow you. But if your vision is compelling, people will apply their best thinking and effort to make it real, regardless of the obstacles or opposition you face.

In *The Vision Driven Leader*, *New York Times* best-selling author Michael Hyatt asks 10 simple questions to help you craft an irresistible vision for your business; ensure it's clear, inspiring, and practical; rally your team around the vision; distill it into actionable plans that drive results; and more.

Based on Hyatt's 40 years of experience as an entrepreneur and executive and backed by insights from organizational science and psychology, this book reveals the difference a vision makes and how to craft one for you and your team. Vision is more important than ever today. Learn how to create a good one with *The Vision Driven Leader*.

IN THIS SUMMARY, YOU WILL LEARN:

- Why vision defines leadership.
- The pitfalls of vision-deficit leaders.
- To craft a clear, inspiring, practical vision that you can sell to your stakeholders.
- Why it's never too late to change a company's vision and chart a new course.

PART I: VISION DRIVES EVERYTHING

Question 1: Are You a Leader or a Manager? The Cost of Confusion

Vision is the essential ingredient for successful leadership. There's no substitute. Without it, influence fades along with the crowds. This is especially true in business. Unless you, as a leader, have a clear picture of the destination where you want your company to be in three to five years, you've got nothing that will inspire people to follow you.

This is the primary difference between leaders and managers. When asked by *Harvard Business Review*, "What makes a good manager?" GE's legendary chairman and CEO Jack Welch responded with a crucial clarification: "I prefer the term 'business leader,'" he said. "Good business leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive it to completion."

Both roles are important, but they are fundamentally different and require different dispositions and skill sets. Leaders create vision, while managers execute vision. Leaders inspire and motivate, while managers maintain and administer. Leaders take risks, while managers control risks. Leaders stay focused on the horizon, while managers have their eye on short-term goals and objectives.

The Essential Ingredient

Vision is a clear, inspiring, practical, and attractive picture of your organization's future. It doesn't have to be 10 or 20 years down the road, though that might be helpful. It's an imagined future—usually just three to five years out—superior to the present, which motivates you, which guides day-to-day strategy and decision-making, and around which your team can rally.

Without this, you're effectively voting for the status quo. Your organization doesn't need a leader unless they want to change. It doesn't take a leader to maintain the status quo. A competent manager will do just fine. If, however, you find the status quo unacceptable and want to focus your efforts, energize your team, and scale your business, you must be a vision-driven leader.

But for many leaders, it's not as easy or straightforward as it sounds. Through no fault of their own, they're often dismissive of, confused about, and ill-equipped to create compelling visions for their organizations.

The 10 questions can help you create and cast your vision;

make it clear, inspiring, and practical; sell it to your team; and weather the challenges ahead. Together, the questions work like a diagnostic tool to help you focus on what matters and get the answers you need to channel your efforts, energize your team, and grow your business bigger than you ever thought possible.

These questions also function like the interlocking parts of a proven vision-crafting system; address them honestly and you'll leave with a powerful vision you can deploy in your organization.

So, are you a leader or a manager? If you're a leader—or if you want to become one—and if you yearn to be equipped to create and cast a vision for your organization, then read on. You're a tenth of the way through already.

Question 2: What Difference Does Vision Make? The Pitfalls of Vision-Deficit Leaders

What difference does vision make? Vision-deficit leaders trip headlong into one or more of six pitfalls:

1. Unpreparedness for the future. While nobody can see the future, a vision can clarify the future and prepare a company for what is on the horizon. "There is no reason anyone would want a computer in their home." So said Ken Olsen, founder of Digital Equipment Corporation in 1977.

By contrast, Apple founder Steve Jobs predicted, "The most compelling reason for most people to buy a computer for the home will be to link it into a nationwide communications network." And Jobs made that statement four years before the invention of the World Wide Web.

Computer scientist Alan Kay is famous for saying, "The best way to predict the future is to invent it." Vision is the first step in doing that. Without it, leaders are unprepared for whatever is coming next.

2. Missed opportunities. Being unprepared for the future means overlooking key opportunities in the present. Why? Vision keeps us attuned to possibilities that align with the future we see. Without a vision, those opportunities slide right by.

3. Scattered priorities. Without a vision, the opposite is also a problem. When we're unclear about our destination, we tend to make short-range decisions, pursuing whatever opportunities look good in the moment. Oppor-

By aligning around a clear and compelling vision, you can avoid sideways energy and wasted effort.

tunities that appear promising up close can prove disastrous in wider perspective.

4. Strategic missteps. Here's a simple but powerful truth: The future hasn't happened yet. It's imaginary. It doesn't exist. And it can take one of countless shapes, depending on decisions we make in the present. Synthesizing the learning from the first three mistakes above, vision steers our decision-making in the present by preparing us for the future, helping us spot the right opportunities, and shielding us from the bad.

Vision, in other words, helps us avoid strategic missteps and failures.

5. Wasted money, time, and talent. Vision provides a direction for execution as well as a standard by which to judge performance. Without it, teams invest themselves in irrelevant outcomes and unimportant projects. Beyond that, they don't even know if they're winning because there's no external standard to evaluate their progress. Everybody runs in circles.

By aligning around a clear and compelling vision, you can avoid sideways energy and wasted effort. By minimizing or even eliminating the cross-purpose activities within your company, vision allows you to execute more effectively.

6. Premature exits. Wasted effort leads to frustration and futility, and that means vision-deficit leaders are prone to quitting the field early—same with their burned-out employees. The ultimate goal of a clear vision is to stay the course during the inevitable hurdles and resistance and succeed. Vision keeps you and your team motivated, engaged, and committed so you don't bail before the payoff.

When slowdowns and setbacks threaten to throw you off course, when breakthroughs remain elusive, vision can sustain the mission and lead you to your projected outcome. But only if you still have one.

Now that you understand the difference that vision makes in your organization, are you ready to create your own? That's what you'll do in Part II, by answering five key questions.

PART II: DRAFTING YOUR VISION SCRIPT

Question 3: What Do You Want? Direction Begins with Desire

Leadership is not a gently sloping road. Oftentimes there is no road. It's only possessing a clear vision that enables leaders to make a way when none previously existed. It all comes down to what you want. Unless you're clear on that, you'll never stand a chance of achieving it.

So what do you want? Let's look at how a Vision Script can help you create a detailed answer to that question.

Not a Mission Statement

An effective mission statement keeps you on task by answering four questions: Who are we? Who do we serve? What problem do we solve? What transformation do we deliver? All good, all necessary. But beside the point when it comes to vision.

A mission defines what a business is; a vision describes where it's going. Mission is here; vision is still out there. Mission is now; vision is next.

A proper Vision Script is not a tagline or a bumper sticker. It's a robust document, written in the present tense, that describes your future reality as if it were today. The trick is to step into the future and record what you see in four key areas of your business:

The future of your team. Your team makes everything else possible. The right team will enable you, as the leader, to focus on what you do best. So, what does the ideal team look like to you three years out? And how does your organization take care of them and cultivate a winning culture? This needs to be specific enough for anyone reading to visualize it for themselves.

The future of your products. The future vision provides a measuring stick for the present, but it is superior to the present. By definition, you're not there yet. And that's where the excitement comes in! What's next in terms of

your products? What do you want to create? What do you want to offer?

The future of your sales and marketing. How do you get those amazing products to market? We're not talking nuts-and-bolts methods and strategies. This is a chance to think broadly and philosophically about your sales and marketing. This is fundamentally about how you relate to your customers.

The future of your impact. Finally, your Vision Script should describe the intended outcome of the team's effort. What's the result of your realizing your vision? You can answer in terms of financial impact, but it can also be in other, less concrete ways, such as reach or influence or something less material.

Question 4: Is It Clear? Make It Concrete and Explicit

The first qualifying question for your Vision Script involves clarity. But clarity can be hard to come by. Why? There's a tendency for visions to be abstract at first. We are, after all, describing the unseen, the not-yet-here, what lies over the horizon.

For a vision to be clear, it has to be concrete, not abstract. But that's not all. Your vision must also be explicit. That is, it must be sufficiently expressed in easy-to-understand language.

Vision is about shared sight. It's not enough to see the future. You have to ensure others can see what you see and act on it. You don't drift to a destination you would have chosen. Instead, you have to be intentional, forcing yourself to get clear on what you want and then rendering it in a form that's both concrete and explicit.

Five Steps to Gain Clarity

How do you get clear when you feel fuzzy? Maybe you're unsure about your plan, you're not sure what to do, and it looks like your competition is flying by, leaving you in the dust. Every leader faces this at one time or another.

Here are five simple steps to gain clarity and move forward. First, admit you're unclear. It's hard to admit we're missing something. But that's the first step toward clarity: admitting we don't have it. Until then, we're not ready for it.

Second, recognize your blinders. In her book *Clarity First*, Karen Martin identifies six key factors that keep leaders

unclear. They're all different, but they work to cloud the world around us: ignorance, lack of curiosity, overconfidence, cognitive biases, time constraints, and fear. It takes some self-reflection to see if any of these are operative, but it's worth the effort.

Third, ask for input. There are many sources of good counsel: spouses, mentors, executive coaches, business colleagues, industry peers, your team, and so on. Ask them what they think. You're not alone.

Fourth, process the feedback. Now that you have feedback from the sources that matter most, you need to process it. Writing externalizes our thoughts, which helps us critique and improve them. Include core members of your team. Review the work together.

Fifth, just start. It's important to get moving. When you can't read a sign, you have several options: Think more about what the sign might say, scrunch up your eyes to change your focus, buy high-powered glasses, or ask a friend to read it to you. But the best and easiest way to get more clarity is to just move closer to the sign. Taking steps forward can bring things into focus.

Clarity without inspiration leads to boredom and disinterest, and inspiration without clarity leads to excitement without direction. Your vision has to include both. That's why inspiration is the focus of the next question.

Question 5: Does It Inspire? Moved People Move People

It's not enough to have a vision. Unless your Vision Script ignites hearts, minds, passion, and creativity, you won't attract the talent or the buy-in from your team necessary to reach your destination. Your customers won't buy into it, either. And you'll forgo the impact and contribution that you might otherwise have on the world stage. A vision that fails to inspire will surely expire.

Does your vision inspire? There are four characteristics to ensure it does.

What isn't, not what is. The first gas-powered taxi was built by Gottlieb Daimler in 1897. Later that year, Friedrich Greiner started the first motorized taxi company in Stuttgart.

Fast-forward a hundred years or so. In 2006, more than 240 million people rode in a taxi in New York City. Clearly, the taxi business wasn't a new idea.

Along came Garrett Camp and Travis Kalanick. By focusing on the “what isn’t”—namely, a taxi company that didn’t own any cars and didn’t have any drivers on the payroll—they founded Uber. Garrett and Travis could have taken the safer, more conservative road by envisioning some sort of partnership within the existing taxi ecosystem. Instead, they stepped out into the future and envisioned what could be apart from the existing best practices in taxi, limo, and transit services.

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Exponential, not incremental. You know your vision will be inspiring when you move from taking the baby steps of incremental change to pursuing giant, exponential, and pioneering ideas.

On January 9, 2007, Steve Jobs presented the first cell phone without a keyboard or stylus. We’re not talking a better keyboard; this move represented a whole new technology. He said, “iPhone is a revolutionary and magical product that is literally five years ahead of any other mobile phone.” He was right.

Risky, not stupid. There’s a difference between a vision so big it makes you uncomfortable and one that’s just plain stupid. How can you tell? Here are a few qualifying questions. Are you likely to fail? If yes, it’s stupid, not risky. Does your team believe in it, or can the key stakeholders get aligned on it? If no, it’s stupid, not risky. Does the risk imperil your mission? Unless your mission is already imperiled and the new vision is your plan to survive, it’s stupid, not risky.

Anything big and inspiring will be a bit risky, but it shouldn’t be stupid.

What, not how. Vision is about what the future looks like, not how you plan on getting there. By focusing on an inspiring what, people find their why. The problem with focusing first on how is that we stop believing in a superior tomorrow. We fail to see how we can accomplish more. We torque back our vision so it’s “realistic.” And because we tend to

experience what we expect (Question 3), we manifest our low expectations. We grow less than we could, achieve less than we’re capable of, and experience less than we deserve.

Once you’ve ensured that your Vision Script is inspiring, the next step is to ensure it’s practical. The next question will help you further refine your vision by showing you how, at last, vision connects to strategy.

Question 6: Is It Practical? Understanding Strategy

Vision is about where you’re going, and strategy is the path you’re planning to take. Vision comes first because there’s no path without a destination. But without a path, there’s no progress. Thankfully, a practical vision suggests the strategy.

Starting with the vision and working backward, we craft a strategy, then set goals, and then break down those goals into meaningful next steps. This is where long-term strategy and daily productivity meet.

There should be a through line from your vision to your daily to-dos. Five elements describe how annual planning and daily productivity work together:

Vision Script. The Vision Script is the basis of everything else. It’s a clear, inspiring, practical, and attractive picture of your team, products, marketing, and impact three to five, though possibly more, years into the future.

Annual plan. From that vision comes this year’s annual plan. What will you do this coming year to make progress on your vision? What projects will you undertake that will bring you closer? What initiatives will you start or stop? The clearer your Vision Script, the more apparent the answers to these questions will be.

Quarterly goals. Look at your list of annual goals. You’ll want to pursue two to three per quarter. Think of these as your Quarterly Big 3—near-term objectives that can keep you focused and drive productivity, rather than promote procrastination and inevitable overwhelm.

Weekly objectives. To stay on target for your Quarterly Big 3, you need a Weekly Big 3, composed of three weekly achievements that will move the needle on your major goals (as well as key projects). Consider a Weekly Preview process in which you review your Quarterly Big 3 each week and decide what three next steps to prioritize in the coming week.

Daily tasks. Your weekly objectives then inform your daily to-dos. Choose just three key tasks each day—your Daily Big 3. Don't worry if that seems like too few. They add up, and they keep you focused and on track. Once you gain the focus that comes from identifying your Daily Big 3 every day, you're going to know that no matter what else happened, you accomplished three high-leverage tasks to help you realize your goals and, ultimately, your vision.

Question 7: Can You Sell It? Enrolling Your Team

The surest test of your vision is whether you can sell it to four key stakeholders: your immediate team, the organizational leadership (if you're the CEO, this might include your board or investors), to the rest of the company down the chain, and across the organization. Depending on how your company is wired, you may also choose to sell your vision outside of the company to watchers in the media.

Vision driven leaders are engaged in a bit of a dance. We have scripted a crystal clear vision of our future reality, one large enough to inspire others, one that also stirs up enough uncertainty to make us take a deep breath, like we're stepping into a swimming pool filled with cool water, and yet we have to sell it to the team with full confidence. And they have to buy.

Selling inside. Let's say you've written your Vision Script. You've ensured it's clear, inspiring, and practical. But at this stage, you're not descending Sinai with the tablets. Your vision is still a first draft, capable of reshaping and improvement. And that's a plus. Invite refinement from key stakeholders. Not only will you get vital input to improve your vision, people more willingly support what they shape.

Selling up. If you're a division leader, selling up the chain may include your vice president or the executive team. If you're the president, selling up the chain would be your board of directors.

When selling up, timing is everything. Since you invested several days crafting your Vision Script and talking about it with your team, you don't want to be rushed when you bring it to your boss. You'll also want to schedule a time when your boss is likely to be the most receptive. You know your boss or board. Don't walk into a quagmire you could have easily avoided by being more intentional up front.

What about the pitch itself? Here are five steps: commit to

success; understand the customer; think through your presentation; anticipate objections; and make the pitch.

Selling across. When selling your vision to peers and colleagues in the organization, do so privately and in advance of selling it down the chain. Actively listen, and talk through any questions or concerns they may have.

Begin by creating a list of influential stakeholders, determine who you will contact first, and then quietly make visits or calls before the wider rollout. This includes divisional or department leaders, anyone with supervisory responsibility. Be sure to give your key leaders time to process the change you're calling for, provide input, and work toward alignment.

Selling down. Leaders encounter a lot of problems, but poor company-wide communication is one problem they often create for themselves. Sometimes, as leaders, we think we've said what needs to be said. We're actually worried about overcommunicating. But the job is to bring definition through repetition. The truth is, you can't overcommunicate your vision to the organization. It's impossible. Constant communication helps people hold on to what matters most.

PART III: THE CHALLENGE AHEAD

Question 8: How Should You Face Resistance? Dealing With Obstacles

There are few constants in life, but resistance is one. There are no friction-free visions. The best face hardships, miscalculations, setbacks, disappointments, and other barriers to success. The question is, how do you, as a vision-driven leader, respond? How should you face resistance?

Tim Cook became CEO of Apple in August 2011. Instead of having free rein to build his own vision for the organization, he was forced into crisis management just six months into the job. Footage revealed troubling work conditions at Apple's biggest manufacturer in China, and low-paid workers rioted. Cook hired an independent auditor who recommended 360 "remedial action items" regarding conditions, pay, and safety. Important fixes but not what he planned on doing right out of the gate.

There are endless manifestations of environmental resistance like this. Entrepreneurs run out of money. They experience production delays. Costs balloon. Marketing campaigns flop. They can't get a product to work as promised.

But such resistance is also predictable, even if the specific problems remain hidden until they arise.

The Vision Zag occurs when a business defines a new vision and, in turn, experiences a fresh round of investment, energy, and market growth.

When you hit the wall, when you feel the resistance, the answer is to remember what's on the other side of the wall and why it matters to you. If it's launching a new business, saving an existing business, bringing a new product to market, whatever, we have to stay plugged into that vision like it's our personal power generator.

It's also important to keep negative emotions at arm's length. When resistance rears its ugly head, it's not the facts of the situation that are the problem but how we respond emotionally. While we need to stay emotionally connected to our why, we can't let negative emotions swamp us. We may experience fear, doubt, and disappointment, but we don't have to let them dictate our actions. We can notice them for what they are, refuse to let them control us, and keep moving forward.

Three essential traits you can leverage when the resistance threatens to thwart your vision: tenacity in the face of rejection, integrity when tested by ethical compromise, and courage in the face of settling for less than success.

Question 9: Is It Too Late? The Power of the Vision Zag

When we ask, is it too late? the temptation for some is to look at our circumstances and jump to "yes." But are they right? Countless businesses fail every year at all stages of life—startup, legacy, it doesn't matter. Yet companies with one foot through death's door stage comebacks more often than you'd guess.

They do this through the Vision Zag. Think of it as re-visioning. In companies that Zag, vision-driven leaders come up with new and inspiring directions for their organizations. And here's the thing: Organizations can perform this move at any life stage.

There are seven stages of a business: Startup, Rising, Transitioning, Mature, Legacy, Zombie, and Dead. These are not rigid categories—more like convenient points on a continuum. A Zag occurs when an organization effectively jumps back to an earlier stage.

The Vision Zag occurs when a business defines a new vision and, in turn, experiences a fresh round of investment, energy, and market growth—even if the company is a *Zombie or Dead*. Why does this matter? Without an effective vision, you're stuck wherever you are.

It's never too late to get started with a revised vision. After several decades of saving the world with their superheroes, Marvel Entertainment Group couldn't save themselves from the clutches of defeat. In December 1996, they filed for bankruptcy protection after their stock value collapsed from \$35.75 to \$2.375 in just three years.

After several years of legal wrangling, Marvel joined forces with ToyBiz, emerging from bankruptcy in June 1998 under a new name: Marvel Enterprises. Having sold the rights to their most popular superheroes, Marvel needed a new vision if they were to live to fight another day.

Their Vision Zag was comprised of three things. First, they decided to focus on movies rather than comic books—a radical change from their previous focus on pen and ink. Second, they leveraged several of their remaining crown jewels (such as Thor and Captain America) as collateral to secure a massive cash reserve of \$525 million from Merrill Lynch. This allowed them to bankroll their vision of 10 movies over the next several years.

Third, given ToyBiz's expertise in creating toys, Marvel Enterprises decided to make movies out of minor characters that few remembered, strategically picking superhero characters that would also make great toys.

The first installment of *Iron Man* made \$585.2 million worldwide, *Iron Man 2* made \$623.9 million worldwide, while *Iron Man 3* grossed more than \$1.2 billion at the box office—bringing the three-movie franchise earnings to more than \$2.4 billion, not including toys, soundtracks, and licensing.

No wonder Disney bought Marvel in 2009 for \$4 billion.

Question 10: Are You Ready? Preparing for the Journey Ahead

Every Vision Script is unique, but every new initiative presents a predictable set of challenges. Whether you're launching a business, leading a division within an organization, or taking a promotion as the CEO of a company, you have to take five steps to succeed in developing and delivering a Vision Script that will define your future.

1. Schedule it. Many people skip this step. Don't. There is something that happens when you set aside the necessary time. It's a way of focusing your intention and clarifying what you want to accomplish. Block the time on your calendar and start pulling together whatever you need to help you answer Question 3: What Do You Want?

2. Get the necessary input. It's possible to do almost anything if you are willing to surround yourself with good counsel. While creating a compelling Vision Script is your responsibility as the leader, inviting several members of your leadership team to embark on that journey with you makes the task less daunting.

3. Trust the process. Remember, you're going off the map into new and unfamiliar territory. You won't have all of the answers pinned down at first. Vision Scripting is a discovery process. Work through your answers to the questions posed in Part II: What do you want? Is it clear? Does it inspire? Is it practical? Can you sell it? As you do, your vision will take shape.

4. Tweak as you go. Your Vision Script is not a once-and-done thing. It's your vision. You have the freedom and flexibility to rethink, revise, and recast based on any num-

ber of factors, including input from your team. Knowing that you can tweak along the way takes the pressure off of trying to be perfect with your initial version.

5. Go ahead and launch. At some point, you have to sell the vision and then begin executing. "A good plan violently executed now is better than a perfect plan executed next week," as General George Patton once said. Perfection is just another way of saying procrastination. And you don't have time for that. Your team is waiting to see what you see.

Vision-driven leaders breathe life into dead or dying companies (think Marvel). They innovate new cutting-edge products (think Apple). They create businesses that never existed before (think Airbnb). And they give their employees the direction and focus necessary to infuse their culture with fresh energy and purpose (think Microsoft).

Are you ready? Wouldn't it be exciting to take your people in the bold new direction you want them to go? Wouldn't you love to see your team energized by what the future holds for you and your organization? You can. It's your turn to lead and win with vision. Waiting feels safe, but waiting kills vision. Where will you take your team next?

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Michael Hyatt is the founder and CEO of Michael Hyatt & Co., which helps leaders get the focus they need to win at work and succeed at life. Formerly chairman and CEO of Thomas Nelson Publishers, Hyatt is also the creator of the Full Focus Planner and a *New York Times*, *Wall Street Journal*, and *USA Today* best-selling author of several books, including *Free to Focus*, *Your Best Year Ever*, *Living Forward*, and *Platform*. His work has been featured by the *Wall Street Journal*, *Forbes*, *Inc.*, *Fast Company*, *Businessweek*, *Entrepreneur*, and other publications.

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