

In Search of Excellence

Lessons from America's Best-Run Companies

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EIGHT BASIC PRINCIPLES

- #1 **A bias for action** – a preference for doing something – or anything – rather than sending a question through cycles and cycles of analyses and committee reports.
- #2 **Staying close to the customer** – learning his preferences and catering to them.
- #3 **Autonomy and entrepreneurship** – breaking the corporation into small companies and encouraging them to think independently and competitively.
- #4 **Productivity through people** – creating in *all* employees the awareness that their best efforts are essential and that they will share in the rewards of the company's success.
- #5 **Hands-on, value driven** – insisting that executives keep in touch with the firm's essential business.
- #6 **Stick to the knitting** – remaining with the business the company knows best.
- #7 **Simple form, lean staff** – few administrative layers, few people at the upper levels.
- #8 **Simultaneous loose-tight properties** – fostering a climate where there is dedication to the central values of the company combined with tolerance for all employees who accept those values.