

“IT’S THE PEOPLE STUPID!” by Kevin McKee

When Bill Clinton and Al Gore made their first run for the US Presidency in 1992 they adopted an internal catchphrase in their campaign team: “It’s the economy stupid!” This was to serve as a constant reminder of the factor which would make or break their campaign and (they hoped), administration. How we wish senior managers in all organisations would adopt the slogan “It’s the people stupid!”. This might just remind them of what will dictate the success or otherwise of their enterprise.

The retailer Tesco is an enduring major success in a tough sector where many big competitors are struggling. It is fascinating to hear the analysts and business press discuss the reasons for Tesco’s success and contrast it with what people inside the company say. The former go on about products, pricing, marketing and systems, etc. And those who have the inside track? Sir Terry Leahy the Chief Executive says for example “The beating heart is not the centre, it’s not me, it’s not the balance sheet, the state of the art technology or the buying power. It’s not the marketing innovation or the strategy. The beating heart of Tesco is the checkout assistant and the shelf stacker”. It’s the same wherever you hear Leahy or his other senior managers talk about Tesco: they start and end with the people.

In our experience there are three attitudes to people by managers in organisations:

1. Forget the people, it’s all about the bottom line/technical superiority, etc., etc. At least this group is honest even if they will never create an outstanding business.
2. Say things like “people are our most important asset” but fail to turn the sentiment into action. This huge group contains a range from the politically savvy cynic through to the unskilled enthusiast.
3. Managers who see that people are key and consistently translate this belief into effective action even when the going gets tough.

Some of this final group are naturally inclined to focus on the people first and foremost and almost accidentally accrue the business benefits. Others (and we bet Sir Terry is among them) are task focused, ambitious characters who can see where outstanding achievement comes from. Whichever motive puts your feet on the right path our advice is just keep repeating to yourself and everybody else, “It’s the people stupid!”.

