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PATIENT URGENCY: How Billionaires Thrive Despite the Uncertainty of Time

They always say time changes things, but you
actually have to change them yourself.

—ANDY WARHOL

Groupon founder Eric Lefkowsky has a clear vision of the imaginative ideas he wants to support now and a decade from now. “Ideas that are local, social, and mobile in orientation are going to do well in the next ten years,” he told us in December 2012 when we met at his office in Chicago. That’s the idea behind Groupon, which Lefkowsky launched in 2008, and the operating philosophy of Lightbank, the venture capital firm he runs with his business partner Brad Keywell. “Our long-term theme is that biotech and life sciences are eventually going to be as exciting as the Internet has been in the past decade, but we aren’t in that space yet.”¹

Waiting for the right time to get into markets like biotech and life sciences requires patience. For those markets he keeps up on the research and pays attention, from a distance, to the small companies doing interesting things. Watch him work on the areas that he sees as big *now*, however, and Lefkowsky exudes urgency. Lefkowsky pressures management teams of his portfolio companies to get products into the hands of customers as quickly as possible so they can learn through direct experience.

“We do everything quickly,” Lefkofsky says of the process he uses when one of his portfolio companies needs to bring product to the market. “When you are an entrepreneur building a tech company you are likely making mistakes based on lack of experience and you are likely running out of money. You don’t have that long of a fuse. So we work hard at compressing cycles and preparing to pivot. Most of that is being unwilling to tolerate the longer timeline. It is just saying we don’t have a month, we need it done in two weeks.”

Consistent with that view, Lefkofsky does not hesitate to pull the plug when the market sends the message that an idea does not resonate. He said, “We have been more successful than most, not because of our investing capability, but because we are good at getting in there and saying we are setting some objective criteria, and if we don’t meet these milestones we have to pivot and go in a different direction. And it is really hard because when you miss the milestone no one wants to pivot. Everyone is in denial believing you are going to get the next version out and it will all be better. It’s like admitting you’re an alcoholic—the signs are there and 99.9 percent of the time the signs are not wrong.”

THE DUALITY OF TIME

Lefkofsky’s attitudes toward time may seem contradictory. He has a long-term vision of the kinds of businesses he wants to be involved with, but an intense focus on the short-term actions necessary to test the companies whose time is now. Put another way, he exhibits patience with the ideas he believes are right but for which the market is not yet ready. Then, when the market is ripe, he acts urgently to get the product into the hands of customers and looks for immediate feedback. Producers successfully marry patience and urgency, creating a dual perspective on time.

In the previous chapter on Empathetic Imagination, we talked about how Producers see and emphasize major trends, and how they develop blockbuster ideas to capitalize on the opportunities those trends reveal. From Jeffrey Lurie’s vision of a structural shift that would merge sports and entertainment, to Joe Mansueto’s view of mutual funds as an emerging mainstream product, to Lefkofsky’s idea of a present and near future in which business models leverage local, social, and mobile, these Producers are driven first by an idea with the

potential to bring huge value at enormous scale—they don't waste their time on small ideas. But once they've hit on a compelling idea or market space, Producers are sensitive to issues of time. If it's too soon, the idea may die for lack of demand; too late and another player may have already redefined the market.

Our research uncovered no consistent evidence that Producers are better prognosticators than other people—they cannot predict the exact right time to make an investment or bring a product to market. The difference is that Producers are willing to operate simultaneously at multiple speeds and time frames. Producers accept that timing is not under their control, and with that acceptance they come to the market aware—and accommodating of the fact—that time is not static but elastic. The fixed nature of the quarter is irrelevant. Time can speed up or slow down at will, and so Producers must work at fast, slow, and super-slow speeds all at the same time, and switch quickly between these modes depending on the context: urgency around actions that are needed to set the stage for realizing an opportunity; patience when they have to wait.

An important nuance in their dual-time mind-set is that duration does not determine mode. We often think of patience as the right mind-set when the wait is long; urgency when we need to produce an outcome under a strict deadline. But these distinctions are irrelevant to Producers. They may act with constant urgency over years, even decades; they may need to be patient for just a few weeks or months. The important distinction is their flexibility and balanced tacking between the two, not the time frames in which they apply them.

TIMING, FAST AND SLOW

Eric Lefkofsky's early career offers a look into how an emergent Producer learns hard lessons about time over many years. More than a decade before Lightbank and Groupon, Lefkofsky and Keywell were the proprietors of BrandOn, a brick-and-mortar retailer that specialized in licensed apparel. Focused on children's clothing, they sold T-shirts and onesies with football team logos and other branded images. The company was in its fifth year and struggling just as the Internet went mainstream, so Lefkofsky and Keywell started to examine whether they could shift platforms to take advantage of the technology trends.

"We realized that we had become very good at decorating stuff in small lot

we realized that we had become very good at decorating stuff in small lot sizes,” Lefkofsky told us about their thinking at the time. “We were very good at making twelve or twenty-four or six of something instead of making ten thousand. And we thought small companies on the Internet, all of a sudden, can access and afford promotional products in ways that they probably couldn’t historically. So, if you want to buy twelve golf balls for your golf outing or twenty-four hats for a small company, you can buy them.”

Lefkofsky and Keywell decided to switch their focus to pursue the idea of creating branded swag for small businesses, but within less than a year the Internet bubble burst, taking their new Web-based enterprise down with it. “The entrance to market was way ahead of its time,” Lefkofsky said. “That business, maybe, would just start to get some traction today. But at the time it was way too early.”

This early experience helps explain the origins of Lefkofsky’s long-term, patient commitment to technology-based business models that leverage the Internet and mobile systems. It also explains how Lefkofsky developed the perspective he uses to evaluate and guide companies in the Lightbank portfolio—he knows from experience that an idea before its time will either wither and die in the market, or require a lot of capital and a long leash.

The Groupon idea was, for a long time, one of these premature concepts. “People tried a very similar business model ten years before,” Lefkofsky said. “Mercado was one and it just didn’t take off. The timing to market is very tricky, but once you have all the different ingredients that are necessary, some of these businesses can really catch fire. In the case of Groupon, we needed a social layer to be built that didn’t exist in the late nineties when there was no Facebook, no Twitter, no word of mouth.”

Once that social layer was created, the time for Groupon arrived and the company entered the urgent phase, experiencing explosive growth leading up to its initial public offering. Now the firm is in a mixed state, urgently focused on improving its operations and preventing imitators from catching up, while trying to exercise the patience that so often is needed after a company reaches significant scale.

LESSONS IN TIMING

Eric Lefkowsky is not the only billionaire who has experience with getting the timing wrong. Sunil Mittal, the billionaire founder of Bharti Enterprises, is another with firsthand experience with catastrophic timing.

Mittal started his first business in 1976 selling bicycles and bicycle parts in Ludhiana, Punjab, where, he said, “Everyone is an entrepreneur of some kind.”² Mittal soon saw that his bicycle business had a limit to how big it could get, so he moved to Mumbai (Bombay at the time) and switched to selling a variety of imported products—he saw the development of India, a growing middle class, and a demand for products that were available in other countries but scarce in India. Soon he was importing portable generators through a partnership with Suzuki, and starting to make some real money, right up until 1983 when the Indian government issued a ban on imported generators. From one day to the next, Mittal was out of business.

Arguably he got into imported generators at exactly the *wrong* time. But from the rubble of his collapsed business he preserved the core concept of importing established products for which there was low supply and high demand in India. He had existing relationships with a number of foreign businesses, and a proven track record as a reliable partner. Those connections made it easier for Mittal to persuade large manufacturers to partner with him to bring their products to India, whose economy was otherwise closed to foreign competitors until the 1991 economic reforms.

With those relationships as his focus, Mittal took some time after his generator business collapsed to travel to Japan, Korea, and Taiwan to identify other products he might be able to import and sell. His experience of losing a business at the hands of a regulatory change was top of mind, and likely informed the product he ultimately chose—touch-tone phones and, later, cellular devices, which he imported on behalf of major manufacturers and sold across the Indian subcontinent (India didn’t have any native manufacturers of those products at the time). Establishing his business in phones allowed him to urgently learn about the telecommunications market over many years of first importing and later manufacturing telecommunications hardware. By the 1990s, Mittal was in a position to establish Airtel and urgently bought one of the telecommunications licenses that the Indian government was issuing as part of the process of privatizing more of its industries. Today, Airtel is one of the largest telecommunications companies in India, a company made possible by good timing learned from a bad experience.

Tadashi Yanai, the billionaire CEO of Fast Retailing Co., owner of the

Uniqlo brand of mass-market clothing stores, was more fortunate than Mittal with the timing of his first business. When Yanai was coming of age in the 1980s, his father owned a group of stores that made formal men's suits, a typical clothing business in Japan at the time. In fact, Japan's penchant for formality was reflected in an underpopulated clothing industry made up of small-scale retailers that produced formal clothing, each company focusing on either men or women. As Yanai explains it, "There weren't many stores selling casual clothes back then. Clothing stores sold suits, like the one you're wearing, or formal wear. Casual clothes meant cheap clothing for young people."³

Yanai initially had no intention of getting into his father's business, but ultimately conceded when he found himself postcollege with no job and no real desire to do anything else. He nonetheless knew he didn't just want to do what his father had done. Yanai had already traveled a bit at that point in his life and he had seen what clothing retail looked like in other countries. He'd seen the low prices of "Made in China" retail items in Hong Kong; he'd seen the ubiquitous popularity of The Gap in the United States, and of Marks & Spencer in Great Britain, brands that sold classic staples at affordable prices. Japan didn't have any similar brands. There was a gap in the market, which Yanai had the Empathetic Imagination to see, and then acted with urgency to fill. In 1984, he launched his first Uniqlo store in Hiroshima to sell high-quality casual classics at affordable prices.

"What we did was change that image of casual clothing into practical and comfortable clothing. We discovered and created a completely new market."⁴ In just seven years, Uniqlo was on its way to becoming Japan's largest casual clothing retailer, with thirty-three stores opened in 1990 alone.

Yanai without a doubt had excellent timing. He saw a gap in the Japanese market, and he had the empathetic insight that young Japanese men and women of his generation would want alternatives to their parents' clothing. Yanai saw a purple ocean where timing was of the essence, and he set out to exploit it, growing Uniqlo with Patient Urgency over a period of decades until it became the largest clothing retailer in Japan. More recently, Uniqlo has been expanding internationally, with stores in major urban centers in China, the United States, and Europe.

Good Timing Comes with Preparation

Producers whose blockbuster ideas depend upon an emergent or future trend do not innately know when the time is right. All the Producers we spoke with were entirely forthright on that point—they didn't know *when* their vision was going to become a reality. But they didn't just dive in and hope for the best either. Their faith in the idea itself made them sure that they needed to be ready when the time came, and that readiness required preparation, in a number of forms, from learning about the market to early investments and market positions.

"It wasn't that I was aware of the timing of it," Jeffrey Lurie, the Philadelphia Eagles owner, said of his vision of the coming convergence of sports and entertainment. "It wasn't like I knew two years after I bought the team there was going to be a big escalation in value. It was that I thought it was going to happen."

Similarly, Joe Mansueto told us, "I could not have seen thirty years ago what Morningstar looks like today, and even today I can't see thirty years from now. I can see a year or two ahead. I have some idea of things that we should consider longer-term. But it's very much one foot ahead of the other. It's like running a marathon—you don't think 'I've got twenty two miles to go.' But rather, 'I'm at mile two, and I want to get to mile three.' It's that kind of mind-set. But I always thought if we compound at a good growth rate, we'd be big soon enough. I always thought we had a good future. But I couldn't articulate exactly what that would look like in five, ten, or fifteen years. I knew we were doing things that were valuable to people. We'll continue to stay focused and build on that philosophy."

Operating in a world of inevitable uncertainty requires not only an ability to balance patience and urgency, but a sense of equanimity about when you need which the most. Instant, explosive, and exclusively upward growth is not what the majority of self-made billionaires experience. We spent a lot of time mapping the career trajectory of Producers, an exercise that clearly revealed that the most common path was a long progression of steady growth that includes significant setbacks and even business failures, as well as steep gains and accomplishments. Many billionaires are serial entrepreneurs, hitting the mother lode not on their first but on their second, third, or fourth try.

Building value over an extended period of time when the outcomes are not guaranteed requires a willingness to be ready, all the time, for the opportunities yet to come. As billionaires pursue their blockbuster ideas, they show a great deal of patience for how, and how fast, they grow. But exhibiting patience does not mean they are sitting back and letting things happen on their own time. In fact, they are acting all the time—they are making deals, testing ideas in the

fact, they are acting all the time—they are making deals, testing ideas in the market, and looking for improvements and adjustments. The time frames are measured in years, even decades, during which they are striving and acting with urgency in pursuit of value that may take years to unveil.

Building a Marathon Mind-Set

For Steve Case, the wait lasted ten years. Twenty, actually, if you consider that he started thinking about the kind of business he wanted to be a part of as a senior at Williams College.⁵

“It was the late seventies and I was trying to think about what I was going to do,” Case told us in the Washington, D.C., offices of his venture capital firm, Revolution. “I just felt like I would be most interested in something that was emerging and be part of a revolution as opposed to a more traditional company that was just managing. I wanted to be part of creating something new,” he said.

At that time Case read *The Third Wave* by Alvin and Heidi Toffler, futurists who predicted the development and popularity of an Internet-like connected network. Case said, “I was captivated by the idea that someday people would access each other and get information and be able to buy products through this new interactive technology. At the time the focus was more on how TV would become more interactive because PCs hadn’t really emerged. I just remember reading that and saying, ‘I just know this is going to happen. It’s such an obvious idea.’ That really kind of became the guiding light in terms of my life.”

There were no companies Case could find creating consumer networks at that time, so he decided to wait and use his time learning the basics of business, first at Procter & Gamble and, later, in the Pizza Hut division of PepsiCo. While working for these iconic firms he had the explicit goal, as he tells it, of gaining key business skills so he would be ready when the opportunity he was waiting for arrived.

The opportunity came in 1984, when Case’s brother, a venture capitalist, introduced him to the lead executives of a D.C.-based start-up called Control Video, which was making an early-stage interactive gaming network for Atari users. “People didn’t have PCs at the time but they did have Atari game machines,” Case said. “So this company created a product for the game machine, and although that was a struggle and ultimately it was unsuccessful, it was a way for me to get into the start-up world. And some of the people I met there did end up joining me and starting AOL in 1985, a couple of years later.”

The idea for AOL as a network service provider was stable from the beginning, but there was a lot of foundational work that needed to be done in order to create a mainstream communications network capable of handling traffic from a mass market. Case and AOL had to negotiate and partner with device manufacturers, network service providers, and motivate staff to create the systems that would be needed for AOL to deliver at scale. The company had to advocate for the integration of network capability into PCs, ensure network service, and build user-friendly software.

Case said, “For the better part of a decade after we started AOL it was a struggle. I used to say AOL was an overnight success ten years in the making. By the mid-to-late nineties, when the Internet came into focus, new people were joining AOL in large numbers, and the brand was on the cover of a magazine, it looked like AOL just kind of popped out of nowhere and it was an instant success. But we’d been at it for nearly a decade trying to fine-tune and get the computers to include a communications modem installed instead of viewing it as a peripheral, and get the network costs down so we could charge less for our service, and get the software better so it was friendly or more engaging for a mainstream market, and get the content more interesting. There were a lot of building blocks.”

As Case makes clear, patient time spent waiting for an idea to mature is not the same as idle time. Building a business with huge growth potential requires not only a marathon mind-set, as Joe Mansueto put it, but also marathon action—Producers are moving all the time.

Urgent Self-Preparation

Case’s early, postcollege years spent learning about business and marketing gels with what we discussed in the previous chapter about Empathetic Imagination: namely, that most Producers start their billion-dollar businesses after amassing extensive experience in the industries or areas where they ultimately create breakthrough value. Even those who earn billionaire status at a relatively young age seem to have that hard-fought expertise. Many develop it by using “wait time”—those months or years after they have an empathetic insight but before the market is ready—to prep themselves for coming opportunity.

Like Steve Case, Joe Mansueto was in his early twenties when he first had the idea that would become Morningstar. But also like Case, Mansueto knew he did not yet know enough about the world of business—in his case, investing and

the market for investment research—to build a business in that space. And mutual funds were only just starting to grow as a mainstream investment. Mansueto had wait time, and he used it by spending a few years in personal education before he launched Morningstar.

With a sense of urgency, he took a crash course in mutual funds and personal investing. He took a job first with the Chicago venture capital firm Golder Thoma, where he stayed but four months, and then with a boutique money management firm called Harris Associates, which managed to hold on to him for slightly more than a year. In both places he thrived, receiving high marks from his superiors. Still, less than two years after he first had the idea, a more experienced, knowledgeable, and established Mansueto left Harris Associates to launch Morningstar.

One of his first actions was to put an advertisement in *Barron's* announcing a \$130 subscription to his quarterly *Mutual Fund Sourcebook*, the first edition of which he wrote sitting at the kitchen table of his one-bedroom apartment. That first ad generated six hundred orders—\$78,000 worth of revenue—and he began his upward climb to becoming a billionaire.

ACTING URGENTLY ON AN INSTINCT

Like Steve Case, Alex Spanos, a billionaire real estate developer, also had to wait for the time to be right before capitalizing on his idea, but that is where the similarities between the two end. Case worked in a communications start-up, where he then had to wait as the market matured over the better part of a decade. Spanos, by contrast, began his entrepreneurial career thrust into a market in which demand already far outstripped existing supply. When he set up his first independent venture, he had to act fast, with positive results and clear signals of success accruing almost immediately—much more quickly than the decade Case spent building the systems and demand for AOL.⁶ Viewed together, these stories illustrate the various ways in which patience and urgency operate for any individual Producer, and independently from the time frames involved.

Spanos was born in the 1920s to Greek immigrants. He spent most of his twenties working as a baker in his father's small bakery in Stockton, California. According to Spanos, his dad was dictatorial and stingy with pay, and eventually

the younger Spanos—driven by the need for more financial stability for himself and his growing family—went out on his own. Spanos was twenty-seven and had no savings, but he was an experienced baker and he'd been running his father's business for many years, in that role becoming a known figure within the Stockton small-business community. He was also observant—as he drove to work in the early hours of the morning each day he saw the seasonal workers buying their meals for the day from food stands set up near the fields of the local San Joaquin Valley farmers.

As a first step, Spanos got a loan from the bank, bought supplies, and started making sandwiches. Every day he prepared enough for hundreds of workers, and within weeks he was earning more than when he had worked for his dad. But he was ambitious, so when the farm owner approached him one day asking if he knew where to find more workers, Spanos worked with urgency. It was high picking season and the crop was almost ripe—all the farmers in the area needed more workers to harvest the produce before it rotted in the fields. Spanos got on a bus the next morning and traveled to Mexicali, where workers came to get hired by farm agents. While there, Spanos spoke with an agent recruiting not only for the same farmer who had approached Spanos, but also for other farmers in the San Joaquin Valley. The agent told him that the problem wasn't only recruiting people but finding temporary shelter while they were in town. Spanos said he could take care of it—if the agent got the workers, Spanos would find them someplace to stay.

At the time, that was all bravado. Spanos later admitted he had no idea how to house hundreds, let alone thousands, of workers, and his experience with catering was limited to sandwich making.⁷ But he didn't hesitate to make a fast decision, and he made good on it. He knew a lot about Stockton, and he knew that the local fairgrounds had a large hangar-type building that sat empty most of the year. After another quick bank loan and a set of negotiations, he was able to set up hundreds of cots in the hangar. Outside, he built a cooking tent where he prepared classic rice, beans, tortillas, and other recipes hewing to the tastes and traditions of the Mexicans he served. He also scheduled a bus service to bring workers to the fields and then back again. In that first season, he netted \$60,000 in 1951 dollars mere months after setting out on his own—that is equivalent to more than half a million dollars in buying power today. Within four years in a business notable for its grueling work schedule and around-the-clock hours, Spanos was a millionaire and preparing to set out on his next phase of growth as a real estate developer, a path which would, with patience and care, turn him into

the largest builder of apartment housing in the United States.

TIME AND IMAGINATION

All businesses are under pressure to deliver results in specific time intervals. Billionaires don't necessarily make exceptions, as Eric Lefkowsky's "milestones" attest. But there is a distinction between the ways in which Producers act with urgency, and the typical corporate environment of overextending talent. For most institutions there are simply too many tasks to complete in too little time, and that overextension can have a detrimental effect.

People at all levels of business justify overwork by saying it makes us more efficient, or that time pressure spurs creativity, but the reality is more insidious. In fact, time pressure can suppress the imagination necessary to come up with blockbuster ideas.

There are physiological mechanisms at work when people are engaging in imaginative thought processes. Rex Jung, a neuropsychologist from the University of New Mexico, posits that creative people are able to turn off the evaluative functions of their brains in order to allow themselves mental freedom to invent.⁸ He calls this process *transient hypofrontality*, which is just a technical way of saying that the analytical mechanisms of the brain take a break for a while to let imagination run free.

Where does time come in? Jung argues that hugely imaginative people—think pure Producers—engage in transient hypofrontality automatically, *but anyone can create the environment* that allows them to shut down their analytical capabilities and just allow ideas to wander and associations to take place. In order to achieve this state, however, the aspiring creative needs *time*. He or she needs to be in an environment where mind wandering can happen.

A number of innovation-oriented companies have made headlines for giving employees permission to take a certain percentage of their time to explore new ideas, but it is definitely a minority practice. Even when such a policy is in place, there is often pressure for measurable results to emerge from the "free time." For most professionals there is such a dramatic mismatch between what they are expected to produce and the amount of time they are given to produce it in that the opportunities to induce *transient hypofrontality* are virtually nonexistent.

Such time pressure essentially guarantees that professionals won't have the mental space to come up with blockbuster ideas.

If this connection seems abstract, consider the results from a study on time and creativity conducted by a group of researchers at Harvard Business School.⁹ The research team enlisted seven companies and 177 employees in a study to assess whether workers under time pressure are able to produce work of high creative value. The researchers collected daily questionnaires from the workers asking them to assess whether they were under pressure that day, how much they got done, and how creative the output was. They also collected data from the company on daily task assignments and deadlines to confirm that the workers' feelings of being under time pressure reflected real time pressure based on more objective information (they did), and they collected assessments from managers on the level of creativity exhibited by the participating employees.

The results showed an inverse relationship between time pressure and creative output. Employees often got more done on high-pressure days—meaning that they were more efficient—but the level of creativity in their output was low. This finding alone is important to our understanding of the relationship between time and business creativity. But even more compelling was the fact that the low creative output *persisted*. One day of high time pressure resulted in lower creative output for *days* after.

Self-made Billionaire Time Management

Understanding the relationship between time and creativity gave us insight into a tendency that we observed firsthand in the billionaires we met. That habit could be best described as being *present*.

It was one of the first things we noticed about Joe Mansueto, for example. When we walked into Morningstar's office on the day of our meeting, he was sitting at a table in a conference room with his hands crossed over each other, *waiting for us*. "Yes," he said, "I am ready for you." We expected that our time with him would be interrupted by other obligations, questions, or commitments, but that wasn't the case, neither with him, nor with Glen Taylor, Chip Wilson, Jeff Lurie, Steve Case, T. Boone Pickens, or the Spanos children. When we were with Mansueto, it seemed as if our interview was the only commitment he had. His phone didn't ring. No one entered the room in the middle of the conversation to give him a message. He was completely present.

This trait is almost universal among the billionaires we interviewed. They were focused, attentive, and entirely present as we spoke. Steve Case even thanked *us* for taking the time to talk with him about the research we were doing and the ideas we wanted to explore. We call attention to this trait because it is so different from our daily interactions with the executives we work with—our colleagues, our clients, even ourselves. We all seem to be doing three things at once *in addition to* having a conversation with someone. Not so with the billionaires. They appear far less busy than most executives, and we suspect that isn't an accident of seniority. They intentionally guard their time, doing away with extras, distractions, and nonessential activities so that they are able to support their most vital work.

By guarding their time preciously billionaires are able to constantly cultivate and grow their innate curiosity. It gives them the time to read or converse widely on the subjects that let them make remote connections.

We cannot say that such strict time management *causes* success, but the evidence is strong in support of the idea that disciplined—even ritualistic—practices open up the mental space to observe long-term trends and develop a compelling and real vision around them.

A Producer's ability to be present in the “now” has implications for the evolution and success of her business. Just as Producers limit the number of things they are involved in to allow for enough attention and energy to focus on growing the blockbuster, they also have the ability to know exactly where they are in their business. They don't go off track planning for the next stage before they have capitalized on the present. They don't spend too much time sizing and resizing the market before they have a concept and prototype they can show to people.

As an example, if you think about the evolution of Alex Spanos's business, his actions were progressive and he focused exactly on where he was at any given time. When the opportunity lay in making sandwiches for the farmworkers, he focused on building his capacity to make sandwiches. When the opportunity lay in feeding and providing housing for thousands of migrants, he focused on building the capacity and infrastructure to feed and house thousands. He did not start planning to serve five thousand workers before he had served a thousand. All those migrant workers were customers using the service and offering feedback.

We refer to the ability Producers have to focus on the challenge at hand as “stage focus.” We dedicate Chapter 4 to discussing Inventive Execution, of which stage focus is an integral part. As this quality relates to time, the

which stage focus is an integral part. As this quality relates to time, the Producers' ability to keep the vision of long-term scale in the back of their minds while concentrating their current energies on urgent execution for today is critical to their success. Stage focus allows them to make their blockbuster idea real in the market and meet necessary targets before moving to the next stage of growth and execution.

HOW EXECUTIVES CAN APPLY THE LESSONS OF PATIENT URGENCY

Businesses have understood time's integral role in the success or failure of commerce since the early days of trade. As far back as 1736, when the British inventor John Harrison conducted the first sea test of the marine chronometer, a device that used time to accurately estimate a ship's latitude and longitude at sea, businesses were dealing with the challenge posed by the uncertainty of time. Before Harrison's invention, sea captains could only identify *latitude* by measuring the angle of the sun at noon, when it reached its apex, but without an accurate timepiece they had no way to measure longitude, and so quite literally had no idea where in the world they were at any given moment. Armed with a chronometer, sea captains could now navigate with more accuracy, avoid dangerous routes, and effectively decrease the length of their journeys. Harrison's invention changed the business of seafaring—and set the British on a path to extreme value creation in trade.

Fast-forward nearly two hundred years and Frederick Winslow Taylor, the father of scientific management, was using time and motion studies to develop ideas to help businesses improve their productivity. Time measurement also made possible the digital computer, which samples itself billions of times a second and records its data through binary impulses—on or off—within a defined window of time.

We offer these examples because they show how business innovators of the past have leveraged time as a tool, a source of invention or advantage, or at least as a dynamic factor in their ideation. As a group, self-made billionaires subscribe to this time-value school of competitive advantage. They talk about time in dramatically different ways from the typical corporate executive, for whom time

is often a limiting factor or a constraint imposed upon them by the board, C-suite executives, the stock market, or simply years of corporate training.

Readers may also think that the Producers experience with time is less instructive because billionaires have so much control over how their businesses are run. And while we agree that billionaires have a lot of control at the beginning, once their businesses reach scale—and especially those that go public—they experience the same fixed-time-frame mentality that hampers the pursuit of value in so many companies. Yet these Producers still don't let time define them or their ideas.

Joe Mansueto spoke directly about this issue in the context of cultivating an entrepreneurial mind-set within a mature organization. He said, “It gets more challenging as we get bigger because we understandably have policies and processes around doing things. It's important to have the necessary reviews in place, but you want to be sure it doesn't prevent you from being nimble.”

Corporations establish these processes to help keep bad ideas out of the market. But Mansueto believes they need balance. “We try not to let the process define us,” he said. “The process is not the product. We focus on execution to get things done. You have to have some process, but you can't get so wrapped up in it that you move too slowly. Individually all those processes sound logical but cumulatively they could be the death knell for great products.”

Mansueto's attitude illustrates the ways that Producers recognize time issues, but do not let time attitudes suppress or trump ideas. At the core of the Producers' ability to maintain a dual perspective on time is a belief in and passion for the idea they are pursuing. Across our study, we saw Producers consistently dedicate their time only to ideas that had the potential to build massive value. Not all of these ventures were successful, but the vision and intent was to build something real at scale. With an idea in hand, Producers then manifest a balance of utmost urgency with extreme patience. They'll wait for the time to be right, but they will prepare relentlessly so that they are ready to jump on the opportunity when it arrives.

How can established corporations build more of this Patient Urgency into their businesses?

Move Beyond the Quarter

Corporations first must relax the way they think about the time frames within which they pursue new opportunities. Reconsider any in-house expectations

about when you expect return on an investment. Do you eschew new initiatives if they take longer than two years to produce a return? Three years? Five? Do you expect concrete results to register in quarterly intervals? The billionaire Producers, despite their universal interest in strong returns, made it clear that the ideas worth pursuing may also be worth waiting for. Producers engage in the pursuit, and they use the wait time to their advantage to develop expertise, knowledge, market positions, partnerships, and other necessary resources so that when the market is ready they are already there.

In contrast, traditional organizations, though used to waiting, are rarely skilled at *urgent* waiting—those quarters or years spent putting the skills and resources in place so the business is ready when the opportunity arrives, just as Steve Case urgently built AOL over ten years before the Internet exploded. More often than not, companies take a pass today and say they will get back to it later (and later is often too late).

Bottom line: organizations that consistently turn down opportunities because the time frames do not match their accustomed cycles are leaving value on the table. The institution implicitly sets criteria for the kinds of ideas it wants, which not only dictates what leaders choose to pursue but also signals to emergent Producers to constrain their Empathetic Imaginations. Producers who have good ideas with uncertain timing may either keep them under wraps or, if they're good enough, leave to pursue them outside the firm's walls.

There are a number of steps applicable at different levels to help businesses begin to relax this organizational rigidity about time.

Individual Time Management

At the most individual level, task individuals throughout the organization to reconsider their standard time scales. Ask your direct reports to reconsider what time frame is needed for a project to come to fruition. Is it shorter than you planned? Longer? Would it be shorter if the project participants weren't tasked with too many other responsibilities of lower priority? Don't accept predefined/benchmarked time frames when they don't make sense. Propose an alternative and work with Patient Urgency to prove how right you are about it.

Another step is to give those who show Producer potential special "think time" and consider making it truly open to whatever they are interested in pursuing. Steve Jobs was famous for the long walks he took, often with a

colleague or a new business partner. Readers of Walter Isaacson's biography of the Apple founder may have read it as a mark of Jobs's eccentricity, but in light of what we have learned about time and the role it plays in stimulating the imagination, we wonder if those walks weren't Jobs's way of letting his synapses fire.¹⁰ Regardless, it's clear to us that the standard practice of rewarding our most promising talent by giving them *more* to do is wrong. If we want emergent Producers to have a chance to identify the next blockbuster, give them less and see what happens.

These two acts of challenging employees to consider the time frames of their work and giving them think time should make clear who in your team has the capacity for trend spotting. Narrow in on those people capable of seeing trends or activities that others overlook or view as inconsequential. Some of these trend spotters will even be able to see further out—two, even three years. Some of them may already be experts in a particular subject, or have displayed a long-term commitment to an area of expertise. These individuals are particularly valuable, given the overwhelming tendency of billionaire Producers to find and pursue new opportunities in fields where they already have extensive experience. And for those who see important trends and have a high-potential idea for how to capitalize on it, consider matching their think time with “explore time” earmarked for taking steps to design and execute the idea.

Producers will thrive when asked to match such “thinking” with “doing.” It benefits the organization by bringing good ideas to the next level and it can help weed out Vision Performers from true Producers. Vision Performers will see future trends, and may even develop an idea to capitalize on them, but they will get mired in what needs to happen right away; Producers, in contrast, have the integrative ability to see past today's requirements to focus on what is needed for the future. Look for and cultivate those with savvy skills around the “politics of time.” Eventually, the Producers who rise need to be able to stand up to investor pressure to speed up or abandon a program that is taking longer to produce returns than the investor wants. R&D in particular is vulnerable to the time-based chopping block and will need staunch defenders.

Timing in the Organization

There are a few changes to processes and procedures that can help loosen organizational rigidity around time. One seemingly simple step is to

communicate corporate goals in multiple time frames. Just as Eric Lefkowsky has a future vision of opportunity in biotech and life sciences, and a current vision of mobile and social, so should your organization signal its goals for today and its goals for tomorrow. Identifying these goals and communicating them broadly gives the Empathetic Imaginations in your organization permission to consider today *and* tomorrow when they look for new opportunities.

For ideas that have already been given a green light, likewise consider the relative time the corporation spends on different stages compared with Producers. Producers worry a lot about the concept, but they don't spend time scrutinizing it through more discussion, thought, and analysis. As we highlighted in the chapter on Empathetic Imagination, Producers have a bias toward action, which shows itself in the propensity to make ideas real and operational so they can be tested with actual customers. When developing an idea, they move quickly from concept to prototype, which they then test with a small group of customers, and launch in a limited capacity. They work the concept by engaging with its real manifestation, not by wasting time worrying about the theoretical analysis. In this way Producers get their products or services into the hands of potential customers as quickly as possible, and then rework based on that real market experience.

Joe Mansueto, for example, didn't spend months talking to potential clients and testing his idea when launching Morningstar. He had such faith in the inherent value of what he was doing that he took out an ad, wrote the first publication, and got it into the hands of the investors. Changes came quickly, but they were based on direct engagement with the customer.

In contrast, the businesses we know and work with spend long months in concept and prototype, investing significant brainpower *internally* to estimate market size, conduct focus groups, analyze the in-house capacity and skill sets, and assess other in-house execution-based measures. By the time they get to launch, they have invested significant time and money on theoretical models. They've cut their own time windows short and created a much lower margin for error. They almost *have* to succeed right away or leave the market. This approach makes it harder than it needs to be to experiment or pivot.

Lastly, explore ways and means that your organization can be involved in business areas or trends that are not yet on your strategic horizon, but you think may be in the future. All of the above steps are aimed at identifying the Producers in your organization and giving them the space to produce far more value. But it remains that you won't be able to pursue every idea on the table, even some that are very good. Indeed, it is something of a business truism that

even some that are very good. Indeed, it is something of a business truism that corporations that work relentlessly in pursuit of between one and three strategic priorities do more and achieve more than those that try to pursue six or eight at one time. Maintaining Patient Urgency in areas that may become interesting to you in the future, but aren't yet, invites you to partner with organizations that are focused in that field, such as academic institutions or start-ups. Staying engaged in this way may allow you to save yourself a seat at that table without drawing resources away from your most urgent pursuits.