Chapter 1

The Chef



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"Honing is simultaneously a maintenance and a meditation."

—*Flannery Klette-Kolton, Chef*

Being a chef in a high-end restaurant is no easy task. Every night, you are expected to conjure up innovative and mouthwatering dishes that not only tantalize the taste buds but also dazzle the eyes and satisfy the soul. Along with being original, you must also be consistent, replicating each culinary masterpiece with unwavering precision, night after night, so that returning guests can relive their extraordinary dining experiences. Your relentless pursuit of perfection unfolds in a crowded,

often overheated kitchen, where tempers can easily rise, and serious injury is only one small miscalculation away. Your busiest days are when the rest of the world is unwinding – weekends and holidays. Amid this chaos, you must balance razor-thin margins and the competing demands of staff, investors, customers, and even friends and family. Your artistic vision must shine through, but you must also turn a profit. No wonder there is a high failure rate in the restaurant business.

Working as a private chef cranks up the heat to an entirely new level. We don't mean caterers who manage the logistics of serving hundreds of dishes at weddings or large parties – that's a different kind of "hard." We're talking about private chefs who craft exquisite dinner parties in the intimate settings of people's homes or unique locations. These chefs create personal, interactive culinary experiences in unfamiliar kitchens, under intense scrutiny, and with nowhere to hide. Indeed, working in someone else's kitchen means the customer is literally able to watch every move – an extreme form of operational transparency even in an era of open-kitchen restaurants. Every host has a different vision for the evening, whether it's an important business dinner, a casual gathering of friends, or a holiday meal for extended family. The ambiance can vary greatly, even with repeat clients.

And that's just the atmosphere. Imagine walking into your workplace and having your tools perform unpredictably each time. For a chef, that means dealing with pots and pans of varying quality, ovens and burners that heat differently, and changing humidity levels that affect baking. Plus, there's the challenge of finding plates and silverware in unfamiliar places. And let's not forget the guests who change their dietary preferences at the last minute: "I know I said I eat anything. What I really meant was anything . . . as long as it doesn't have onions."

Flannery Klette-Kolton, one of four artisans we'll spend time with in *Hone*, explained to us the difference between being a chef and being a private chef.

> My menus are all individualized. If I'm cooking a dinner for you, your kitchen and guests and desired experience are way different than my other clients. Like [my client] Carrie – her stove is different.

> So is her plateware. So is her palette and that of her guests. So my ingredients need to be different. In a restaurant, the main goal is consistency. Let's say you mosey up to a bar seat and order steak au poivre and it's the best steak you have ever had. It's at a fair price. It's well executed. You love it. The last thing you want is for the restaurant to change it up the next time you come back. So they need to hit that consistency note to please their guests. In my world, nothing is ever the same – the kitchen, the equipment, the guests.. . . I'm constantly making micro-adjustments.

If the job of the chef is a high-wire balancing act, being a private chef is like doing it blindfolded on a different tightrope every night.

A Chef's Devotion

Born in 1984, Flannery Klette-Kolton has lived that world for half her life. A New York City native, she started expressing her love for cooking at an early age, creating "cafés" for her parents when she was eight. They would wait outside – because, of course, the restaurant was full – until Flannery escorted them to a table set with an elaborate meal: Think watermelons carved into baskets (which most people couldn't do at any age, let alone eight). At 12, she would feign illness to come home and watch Food Network, which at the time was focused on educational programming. Flannery's family loved food and cooked a lot, in addition to enjoying New York City's varied restaurants. The same was true for Flannery's best friend, Lauren Gerrie. After they finished college, they decided to cook for a friend's *Great Gatsby*–themed party on a rooftop in Gramercy and received a lot of encouragement from the guests to create something bigger: "This is so great. You should do this." So they did. They launched bigLITTLE GetTogether, a catering company, to build out their dreams.

They hustled. Flannery went to culinary school. Lauren worked in restaurants. They got referrals for catering events, but what the chefs wanted to do was more innovative. They created ticketed dinners where guests would arrive dressed in the style of a certain theme to spectacular meals. An early breakthrough came when, over a meal of shabu-shabu in the East Village, another chef friend introduced them

to Gwyneth Paltrow, who decided to feature them in the early days of Goop. They took full advantage of the increased followership and started to focus on special, curated dinner parties, not catering. In the early 2010s, both Flannery and Lauren appeared on – and won – *Chopped* on Food Network. In 2017, Flannery was selected to represent the United States at the Copa Jerez, a unique international cooking competition held in Spain where chefs work with sommeliers to pair courses with sherry. Flannery and her sommelier partner, Kerin Auth, won the most creative pairing award.

When you spend time with Flannery, you can't help recognizing that she is absolutely dedicated to her craft and is energized by two things: a deep empathy for her clientele and a dedication to the process of getting better, one gig at a time. She is programmed to pay attention to the details that will delight her guests.

> You have to pay attention to people's "isms." Their language. Their tone. What do they say their favorite foods are? Do they talk about a special set of plates they never use? What do they show excitement at? They typically forget that two months ago they told me all these things and then it magically reappears in front of them at a party. I'm a people pleaser and I'm trying to pick up on what pleases every one of my clients. A lot of people do this [just] to make money. My [true] payment is seeing someone enjoy what I've created. It's an energy exchange.

When you consistently delight your clients, the money takes care of itself. We asked Flannery if she's ever lost money on a gig. Not once. She also has never had a client stiff her. Even on her worst gig – where there was a protest outside, the pots didn't work on the induction burners, and the rented oven was faulty – Flannery and Lauren managed to "MacGyver" their way through the creative use of seemingly inadequate tools to an amazing service for the 80 people in the next room. They put the guest experience first and adjusted to figure it out. Happy guests equal happy client – and, despite all the complications, they delivered the goods and the client was satisfied.

The fact that the 80 guests at the front of the house had no idea that Flannery was having the worst day of her career in the back of the

house tells you all you need to know about Flannery's North Star: to create the best possible guest experience, starting with incredible empathy for what the guests would love. She has recently migrated away from five-course, individually plated menus to more family-style service. Her main gigs now involve cooking on sailboats for the Sailing Collective, a sailing charter company, where some of her minimalism is driven by necessity given the small "galley kitchens" in which she now works. She explained how one of her goals at this stage in her career is to ease the pressure guests feel in a fine-dining setting and to make the food less "precious." We were surprised to hear that explanation and asked her to expand further about the connection between food, pressure, and the overall guest experience.

> I want my food – and my experiences – to be approachable. With family service, you can take more of this dish if you want and less of that. You don't feel obligated to eat what's on your plate.. . . [It's so different] when you go to someone's mom's house, and they serve you liver and onions and inside you're saying FML and staring at this plate of food in front of you. It's socially awkward for everyone to see you not eating and having other guests wondering, "Why isn't she eating?" I can literally see them having an internal conversation about it. At the end of the day, I don't want guests to feel like they have to perform for me; they don't need to push food around their plate.

Flannery has developed her craft over the years by watching and learning from thousands of individual guests and their reactions to her food, presentation, and presence. Just as she has learned to add the optimal amount of seasoning and flavors, she understands how to ration her own presence. She can intuit when to be "part of the conversation" and when to be part of the background; it's all part of her craft.

Honing, Not Sharpening

We both count ourselves as lucky to have personally experienced Flannery's evolution over the years as guests at her dinners. On one occasion, we got into a deep conversation about knives while watching her prep. We were curious why chefs seemed to all have their own knives.

On some reality TV cooking shows, there's even a saying when cooks are fired from a kitchen: "Pack your knives and go."

Flannery explained that chefs take great pride in their knives, often investing in high-quality blades designed to last a lifetime. Knives make food consistent by allowing the chef to create uniform pieces of the food. Knives make food visually appealing by enabling the chef to cut and assemble food into unique, attractive presentations, like eight-year-old Flannery's watermelon baskets. And sharp knives are essential for safe, fast work: They require less pressure to slice through food, reducing the risk of slipping that can occur when a dull blade momentarily sticks into an object. Great chefs see their knives as extensions of their own hands. Curious about the ritual of knife care we both have watched chefs execute before they start work, we asked why chefs need to sharpen their knives before every use.

Flannery quickly corrected us. Chefs aren't sharpening their knives. They are *honing* them. Amateurs use their knives for years without honing; they get dull and then end up in dire need of sharpening and repair. Professionals hone their blades every day to *keep them sharp*. Flannery went on to explain what honing was and why it is different and critical:

> Imagine the edge of your knife being made up of tiny teeth. When you coarsely sharpen your knife, those teeth [become] wider and more separated. And when you more finely sharpen your knife, those teeth become narrower and narrower. Eventually, you get a knife that feels like it has had the most amazing Invisalign and they are perfectly in line with each other. The honing rod isn't actually sharpening your knife. It's like brushing your teeth. It's making sure none of those teeth are snaggling back out, basically keeping them in line. The more you use your knife and the more you cut on rough surfaces, [the more] the teeth start to pop out and move away from each other. Honing effectively buys you time before you need to sharpen your knife again.

This is the work of honing. It doesn't sharpen the knife; it keeps it sharp. Flannery continued to muse about honing, with words that we found inspiring:

> Honing your knife is both a maintenance and a meditation. You are taking the minute before you go into your day to ground yourself, taking the minute to recognize with your body, with your tools, that you're about to approach your craft right now. You're taking a minute to put your best foot forward by focusing on what matters most. You're going to put the sharpest edge of your knife forward into your gig.

You actually can sharpen your knife *too* frequently – it leads to negative consequences like thinning the blade, making it weaker and more susceptible to bending or breaking. It also can change the blade's geometry, negatively impacting performance and precision. For us, "honing, not sharpening" is a metaphor for how successful businesses keep their competitive edge. It also led us to realize that business leaders can learn a lot from artisans who pursue excellence in a craft over a lifetime. As such, in addition to Flannery, we'll meet and profile three other artisans throughout this book: Onne van der Wal, a renowned and award-winning nautical photographer; Sam Pollard, an Academy Award–nominated filmmaker; and two members of the rock band Our Lady Peace.

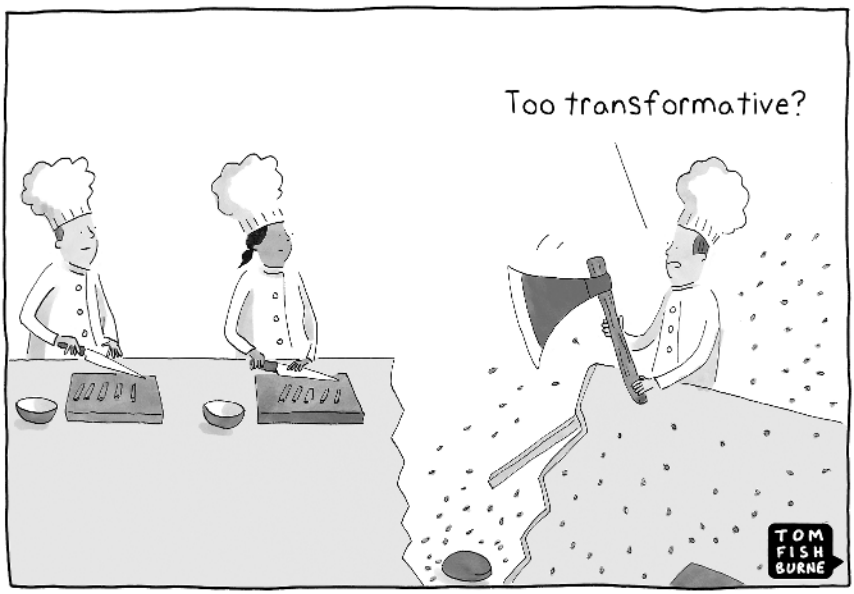
The Siren Song of Transformation

Business leaders could learn a profoundly useful lesson from this practice of chefs and the other artisans we'll meet in this book. Today's leaders seem to be highly focused on increasingly frequent transformations (akin to knife sharpening), when in fact they would be better served by building daily habits to *hone* their organization like a chef hones a knife.

We understand the current inclination to transform. Whether on account of digitalization, the onslaught of artificial intelligence, the looming reality of climate change, the possibility of changing trade patterns, or the demand for radical cost restructuring, leaders everywhere are seeking to overhaul their organizations to become more competitive. To be sure, change is necessary to avoid being relegated to the dustbin of history. But transformation is a risky way to change. It is a costly and time-consuming process that frequently fails. Just as excessive sharpening

can make a knife brittle, the more an organization transforms, the greater the risk of "breaking" the organization due to wear and tear.

Most executives overestimate how often businesses need to be transformed. Like sharpening a knife, transformation is sometimes necessary. As a rule, it's best to minimize the number of times you do it. Indeed, research suggests that the vast majority of transformation efforts fail completely or deliver only modest results. And they don't come cheap. About half of respondents in a 2022 Deloitte survey of transformation executives said their organizations invest between 1% and 5% of annual revenue on transformation programs, and roughly another quarter of them indicated an investment of 6% to 10% of annual revenue – and many of them thought they *had still underinvested*.[1]



The lure of transformation is understandable; the payoffs can be huge. In the early 2000s, LEGO® was facing serious financial trouble. They had diversified too much and strayed from their core product (bricks). The company underwent a significant restructuring, refocusing on their core product, streamlining operations, and embracing collaborations like licensed themes. This turnaround happened relatively

quickly and involved significant changes to the company's structure and strategy, enabling an enormous wave of growth. Netflix has also transformed its business model several times over its history, most notably in the early years, pivoting from DVD-by-mail to streaming.

But such successful efforts, in a relatively short time frame, are rare exceptions, not the rule. A 2020 analysis by Copperfield Advisory, Insider, and the Revolution Insights Group found that only 22% of companies successfully transformed themselves.[2] Despite their cost, transformations are both expensive and mostly unsuccessful at delivering the desired outcomes. Naturally, a few contrarians like us ask why they are so frequently relied upon when business leaders might instead make more continuous micro-changes consistently over time to keep the organization on track. This process of consistent micro-changes is what we'll refer to as honing.

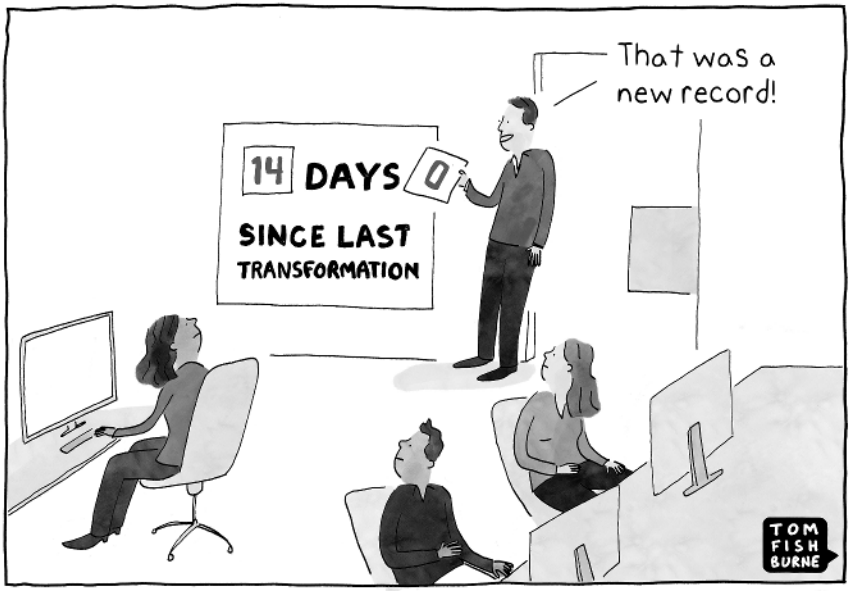
Every organization hones toward a different outcome – it could be how it delights customers, the product or services it creates, or the benefit it creates for society, among myriad possibilities. We believe every organization has something we'll call an "elemental purpose" for which it is built; we'll explore that more in Chapter 2, but for now, think of it as the organization's "North Star" on its journey. But, over time, execution of that purpose wears and tears just like a knife, and so it, too, needs to be honed.

This book is a call to action for leaders to build the capability and mindset to hone their organizations, minimizing – but not eliminating – the need for transformation. Some might say this is just common sense for running a business. We'd agree. However, it doesn't happen as often as it should. Instead of making a steady stream of micro-adjustments, most leaders make huge, strategic changes in a highly episodic manner. Major strategy choices are revisited every few years or when there is a significant change in senior leadership. Once a strategy is set – typically by senior leaders in partnership with a strategy department – it's passed along to others responsible for execution. The strategy is viewed as complete by the senior leaders, who then move on to other issues.

Meanwhile, the folks focused on implementation are left to interpret the strategy and figure out how to bring it to life for their teams. Often, these people weren't part of the strategy-creation process, leading

to a disconnect between the original vision and how it's experienced across the organization. When challenges arise, those responsible for implementation typically don't let senior leadership know; they proceed as best they can. As a result, implementation is only somewhat consistent with the original vision, the original vision is essentially shelved, and finger-pointing ensues when things don't turn out as expected.

That's just what's happening *inside* the organization. While the struggle between strategy and implementation plays out, the external world doesn't stand still. Competitors observe the same trends and make their own moves. Technology advances and evolves, creating new possibilities for delighting customers or reducing costs. Customers' desires shift based on their experiences with other businesses. Before too long, the strategy that was "set" and supposedly good for several years has become obsolete, leaving the company vulnerable to competitors who are more agile and responsive to change. And of course, by that time, with that much drift, there is no choice but to engage in costly and painful transformation exercises.



Even a dull, blunted company doesn't go down without a fight, of course. Various individuals at all levels of the organization recognize

the changes in the marketplace and do their best to adjust how they operate in response. They probably don't change their formal "strategy," but they do make changes in how they run the business. They put in place new policies and procedures, they change up their offerings, they change prices . . . in other words, they "run" the business by choosing what to do in the moment. Because strategy is simply the accumulation of choices that any organization makes (more on this later), that essentially means execution is driving strategy – exactly backward from the way it's supposed to be.

All this dysfunction causes substantial *drift*. We'll examine drift in detail in Chapter 2, but for now, think of it as similar to a ship moving toward its destination but slowly moving off course over time. Drift is often imperceptible at first but catastrophic eventually – and it is compounded by the fact that the correct course itself shifts as well because external factors shape it.

To stay sharp and resilient, today's organizational leaders must shift from episodic transformations to continuous honing. That's what this book is about.

The Meal Ahead

Chefs don't just hone their knives, of course. They continuously take stock of their entire operation, taste-testing each batch of food to confirm seasoning levels, meticulously reorganizing their kitchens for maximum efficiency, and watching their guests closely to see what food is returned versus eaten. This is true even in large kitchens with numerous sous-chefs. Shouldn't senior leaders be at least as invested in running their businesses? We think they should. *Hone* is our attempt to explain why and how such hands-on management is becoming ever more critical even at the top of organizations.

The book builds on the thinking we've shared with readers in our previous books, *Detonate* and *Provoke*. It is the culmination of an (unplanned) trilogy about managing in the face of uncertainty. *Detonate* presented the idea that many of the so-called "best practices" businesses adhere to are actually outdated orthodoxies that must be challenged to effectively meet the demands of a rapidly changing marketplace. In that book, we introduced the concept of a "minimally viable move," an

approach to managing an organization through smaller, purposeful, and less risky changes. In *Provoke*, we presented the idea that most critical uncertainties eventually resolve, and companies that recognize the shift from "if" something will happen to "when" it will happen can act earlier to gain a competitive advantage. We argued that too many organizations wait too long to act and thus miss the opportunity to shape the future that is best for them. In *Hone*, we examine what should happen once the playbooks have been dismantled and the best future possibilities have been provoked, offering a highly pragmatic approach for leaders to course-correct in small, constant ways to ensure they achieve their objectives.

In the following chapter, we will explore in more detail the concept of *drift:* what it is, why it happens, and why leaders need to care about it as a problem. Chapters 3 and 5 will examine the concept of the *management system*, the oft-forgotten, oft-ignored fifth box of the Strategy Choice Cascade, a tool that many of our readers will know we are adherents of – in part because it originated at our old firm Monitor Group (acquired by Deloitte, where the two of us are principals today). We will argue that as the (often hidden) drivers of how individuals and organizations behave, management systems are the nervous systems of business and leaders need to pay way more attention to them. As a palate cleanser of sorts, in Chapter 4, we'll introduce you to Onne van der Wal, a photographer of stunning artistry who is also a master of the business side of his craft.

In Part II, beginning in Chapter 6, we will share our view that the CEO must be the overseer of all management systems in the organization as chief system designer (a concept we introduced in *Provoke*). In Chapter 7, we'll meet Sam Pollard, a filmmaker whose work as a director demonstrates the ways that leaders outside the boardroom need to design management systems. Chapter 8 will outline some of the key principles of system design, while Chapter 9 will reveal how to apply these principles to problems of increasing complexity. In Chapter 10, we will share a story closer to home by discussing how we leveraged different management systems at Deloitte to hone our own strategy over the last decade. Part II will end with our final profile subject: two members of the rock band Our Lady Peace, whose enduring career in

the notoriously fickle music industry is a fascinating case study of how to hone your product while remaining true to your elemental purpose.

In Part III, we will look at system design across multiple organizations. Chapter 12 provides a framework for this type of system design, then, consistent with how we ended our earlier works, we will share "Minimally Viable Thoughts" in Chapter 13 on the application of our framework to a major societal issue – the clean-energy transition. Finally, in Chapter 14, we reflect across all of our writing over the past eight years.

Back to the Kitchen

As we prepare to dive in more detail into how to hone, let's return to the world of Flannery Klette-Kolton. Falling in love with the process of honing is as important (if not more so) as the outcome of any one event (or financial quarter). If you're truly dedicated to improving your craft, or pursuing the elemental purpose of your business, the process of getting better is much more likely to be a successful and enjoyable path than episodic interventions.

> The one thing that hasn't changed is the passion to please my clients. That's always been there. That's my underlying motivation – to be well received – and [to fulfill] the duty of care that the client has placed in me. But even in those situations where the client is happy, after every gig, Lauren and I would always ride home together making notes for next time.

The experiences that Flannery creates for her clients have meaningfully evolved over the years based on what she's seen and learned. Flannery's food in the earlier part of her career was highly influenced by travel, taking bits and pieces from cuisines and different cultures she immersed herself in. Her dishes frequently pull in elements from Southeast Asia, Mexico, or the Mediterranean. She mixes and matches to create new takes on her original creations.

Those original dinner parties were fancy, multicourse dinners where each course was a beautiful, Instagram-worthy plate of food.

Over the years, partially by watching how her guests experience her food and each other, and partially by necessity from cooking at sea, Flannery has further stripped down her style to the bare necessities of creating amazing and delicious food simply, and terrific experiences. This isn't always easy on sailing boats.

> You're moving. I can't reiterate that enough. Burner-wise, it's like a camping stove. The oven is like a toaster. I describe it as 20 little people at an Aerosmith concert with Bic lighters. Two fry pans, three pots if you're lucky, a cutting board, a baking dish, and a few mixing bowls – that's your equipment. Cooking pasta is the most annoying because you have a big pot of boiling water on a moving boat and it's hard to have that and a pan of sauce on at the same time – it doesn't fit. Catamarans are a bit more stable because of the two hulls but monohulls tilt a lot. And people are coming in and out of my space constantly.

So Flannery had to adapt. Much like a poet discovers freedom within the constraints of a sonnet or haiku, Flannery has a newfound sense of liberation in the compact galley of a boat. Her food is increasingly stripped down to what matters: well-seasoned and executed quality ingredients. But attention to detail is still important – she described an example of one of her very simple tomato sauce recipes that she frequently sees people in restaurants get wrong. When using San Marzano canned tomatoes, she instructs people to use the tomatoes *only* and not the sauce they are canned in, which is overly acidic. Yet, to her frustration, some people pour the whole can into the sauce to increase yields, versus removing the tomatoes and squishing them in the pan by hand.

> Details still matter in her simple food.

> I no longer sacrifice flavor or ease of eating for the sake of the dish. There's a dish I love to make a few variations of with roasted red peppers, feta, and walnuts. I used to think I needed to transform those ingredients into something unexpected – like a gel or a coulis or a terrine. But now I'm like, f– that, you know what's really cool and delicious? Just those flavors. It doesn't need to be so contrived.

Not only has Flannery's food changed over time as she's seen what matters, but the way she has become part of the experience has also changed. Previously, she might have been stressed by the presence of someone talking to her in the last few minutes before service, lest the precise timeline that had been created be compromised. But now she's relaxed about the preparation process, recognizing that her personality, her demonstration of cooking techniques, and the show of being able to create this deliciousness on a rocky sailboat is part of her guests' experience.

> It's okay if it takes five more minutes for this dish to come out, so that it comes out good. Nobody's in a crazy rush. If a guest is in the kitchen and wants to be talking to me, it's just as important that you take your focus off of cooking for five minutes to have this conversation to give them this sense of experience that they know that you're available to them.

We took away several lessons for business leaders from our conversation with Flannery. First, there is nothing more important than truly empathizing with the guest and what they want their experience to be. Even more importantly, forcing what you think their experience should be on them is potentially a recipe for disaster. Second, always take the time to figure out how you can improve your craft, even by just a little bit; incremental improvements add up over time. And finally, you have to see the process of improvement as your lifelong work; if you don't love it, then you won't do it.

Let's begin.