

SPECIAL REPORT

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# The Go-Giver Way

Five Principles for Creating  
a Culture of Excellence

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# The Go-Giver Way: Five Principles for Creating a Culture of Excellence

The idea of creating a culture of excellence within an organization, whether a small business, gigantic corporation or anything in between, is nothing new. Of course, scores of management gurus have made the compelling case for the importance of culture as the fabric that unifies the organization as a whole. From our perspective an organization's genuine culture is created not by mission statements, slogans or overarching policies, but by the quality of the actual person-to-person interaction taking place within the group.

A genuine culture of excellence, in other words, arises from the quality of the relationships within the organization. *You* create the culture. By "culture of excellence," we mean an environment where people understand, on a very immediate and practical level, what value, productivity and true worth are all about.

In our business parable, *The Go-Giver*, we codify the crucial elements of such an environment in what we termed the "Five Laws of Stratospheric Success."

## The First Principle: Value

In the story, our fictional hero, Joe goes looking for some big guns to help close a tough deal; "clout and leverage" is what Joe's says he's after.

Instead, he finds a system of five interlocking principles that at first sound counterintuitive, naive, even silly, but in the end, prove to make Joe's world his oyster.

For the story's sake, we frame this as one individual's experience, but in real life, these five principles actually form a key that unlocks optimum productivity and job satisfaction for individuals, departments and entire organizations. Taken together, they can be used to create a culture of excellence in the workplace that results in both individual *and* team success.

The first of these five principles, the Law of Value, goes like this:

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*Your true worth is determined by how much more you give in value than you take in payment.*

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At this point, you might be thinking, "What are you talking about?! How does one give more in value than one takes in payment and still survive? Isn't that a recipe for negative cash flow and ultimate insolvency?"

Not at all: not only can you *survive* by approaching your work this way, it is the only way to *ensure* survival. In fact, when you adopt the first law as

your guiding principle, you will not only survive but actually *thrive*.

## The Paradox of Value

The first law seems counterintuitive, at first hearing, and even paradoxical. The key to grasping its efficacy is our perspective on the question of *value*. Value is not the same thing as price or compensation. Your *value* is not necessarily equal to your *salary*. Webster's defines value as, "The property or aggregate properties of a thing that renders it useful or desirable." Your salary is simply the payment you take. Your *value* is the relative worth you add to the organization, both in the mind of the person who signs the checks and also in the experience of the people (both within the organization and without, that is, the customers) with whom you interact.

An example of the difference between price and value would be the accountant who charges you \$500 to do your returns but *saves* you \$2,000, as compared to what you would've paid in taxes had you been doing the returns yourself. Add to this \$2,000 the twenty hours of hair-pulling frustration she saves you, plus the added security of knowing it is done correctly. So while her fee (price) was \$500, the value she provided was four times that fee in cash terms, and much

more than that when you take the full experience into account. At the same time, while she charged you \$500 for the work, it didn't cost her nearly that much to *do* the work, so she made a significant profit, too—which she should, given the value she provided.

In the book, one character explains this first principle to Joe by parsing the distinction between three restaurants of differing levels of quality:

"The bad restaurant tries to give *just enough* food and service, both in quantity and quality, to justify the money it takes from the customer. The good restaurant strives to give the *most* quantity and quality for the money it takes. But the *great* restaurant—ahh, the *great* restaurant strives to defy imagination! Its goal is to provide *a higher quality of food and service than any amount of money could possibly pay for.*"

The first restaurant may or may not survive, and the same goes for the second—but the third will survive and *thrive*.

This is the essence of the personal value proposition (or, in this case, the business's value proposition, which most likely is a direct reflection of the restaurant owner's personal value proposition). It is the trade secret of all

exceptional businesses and the core element that lies at the heart of their success: providing more in value than they receive in payment.

The ability to provide exceptional value is not limited to only the highest-end businesses or those with luxury-level product lines. The “great restaurant” in the example could be a high-end fine dining establishment, and it could just as easily be a simple grill and sandwich counter, local tavern or neighborhood coffee shop. It is the driving force behind the stunning success of high-end Lexus and no-frills Southwest Airlines, both of whom have not only simply survived but thrived—in an era when their competitors are struggling to stay alive.

Value is *value*—not price. And the consistent overdelivery of value is the cornerstone for creating a culture of excellence.

## The Value of Value

The same principle can be applied just as effectively by you individually, or by your team collectively, as it can be by Lexus, Southwest and your favorite restaurant. You can use it in your work regardless of whether that work brings you face-to-face with customers or involves interaction only with others within your company, and regardless

of the scale of your business. Whether you work deep inside the structure of a national corporate giant or at the front counter of a small, local shop, you can find ways to *add greater value* to the business—and that added value will insinuate itself into the fabric of the business’s culture and translate ultimately into a greater perceived worth for *you*.

When you focus on adding more value to the operation than you take in payment, two things happen. The first is that you virtually assure yourself of being consistently and permanently employed, simply because you become more valuable. Remember, your company doesn’t pay you because you owe on your mortgage; they pay you because your *worth* to them exceeds what they pay you. This also means that while your peers are worrying about justifying their paychecks, you are leaving such concerns in the dust—because you already *exceed* that standard in your normal course of business.

The second thing that happens is that you place yourself in a prime position to rise to levels of greater potential. This happens not because you’re a nice person, or because gosh, you deserve it, or because you’re recognized for trying really hard; it happens because the exceptional value you provide to the business and its customers cannot



help but be noticed. Right away? Maybe; maybe not. In time? Most likely yes.

There are a lot of people in the corporate world today working with a mindset that is not particularly productive. They're looking at trading time for dollars, as opposed to trading value for value. Of course, like anyone working for an hourly wage or yearly salary, you put in a certain amount of time and earn a certain commensurate amount of money. But when your aim is to add *extreme value*, like the "great restaurant" of the book's example, when your focus is on giving *even more in value than what you're getting paid for*, you will create a cycle of advancement that will sooner or later see your position, pay and influence all increase—and increase significantly.

Make the first law your north star, navigate by it daily, and you will never be caught in the vise grip of the next so-called "talent crunch." Quite the opposite: when things become tight and everything around you seems to be sliding into mediocrity, you will be the sought-after resource. In a talent crunch, you will *become* the talent others seek. And when you focus on hiring people who seek to provide that kind of value, you'll never be at a loss for finding good people to staff your teams, either.

## The Second Principle: Impact

Of course, there is more to the excellence equation than simply adding more value than you receive in payment. Our second principle, The Law of Compensation, is this:

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*Your income is determined by how many people you serve and how well you serve them.*

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The second principle says that in addition to adding value to the process, you also must touch as many people as possible with that added value. As another character in the story explains it to Joe this way:

"The First Law determines how *valuable* you are, that is, it describes your *potential* income—how much you *could* earn. But it's the Second Law that determines how much you actually *do* earn."

For example, while the accountant in the example above makes a tidy profit through adding more value to her client than she takes in payment, it is only by serving a large number of clients that she develops a healthy income. As word gets around about the great job this accountant does and

the superb value she offers through her services, her clientele increases. She's still offering the same service and the same level of value, only now she is having greater impact through greater numbers. Impact equals income.

This is why *word of mouth* is the most powerful and effective marketing force there is. From Hollywood executives gambling hundreds of millions on the latest summer blockbuster, to a daycare center owner hoping to fill her capacity of a few dozen clients, everyone in business knows that their trade ultimately rises or falls on the word of mouth it generates. Not that other forms of advertising and marketing are not effective: they can be, certainly, but they are effective to the degree that they mimic, emulate or reinforce the effects of word of mouth: namely, human beings communicating the *impact* that the business has had on them.

Again, impact equals income.

One way this principle operates in the business world is through *referrals*. Serve people so well, like the great restaurant, superb theme park or exceptional retail outlet that provides a phenomenal buying experience, that people feel compelled to brag about it to others.

The word-of-mouth force of referrals can operate powerfully *within* a business, too. To harness this principle successfully within your company or organization requires that you have a positive impact on as many people as you can, including both those within your area of direct influence and others throughout the company. Doing this effectively can take some creativity. Be an “intrapreneur” instead of an entrepreneur. Find creative ways to touch the lives of as many people company-wide as possible, in order to add value to their daily experiences.

For example:

- find out what others need and determine how to help them get it;
- send handwritten thank-you notes (on real paper, not e-mails) to people in other departments who have provided you with timely information or assistance;
- take a solution-oriented approach to helping people in other departments who need *your* help.

This approach is beautifully captured by syndicated columnist and author Anita Bruzzese (45things.com), who writes:

“Get to know others in the company. No company or individual can exist in a vacuum in today’s fast-paced global marketplace. Employees need to understand how their work connects with the bigger picture, and how their skills and abilities might help other employees to compete better in a demanding marketplace. By asking other employees what they do and the challenges they face, a worker can foster better communications. A good question to ask: ‘Is there anything I—or my department—can do to help you with your job?’”

Are finding ways to add value over and above the expected always an easy task? Certainly not. Is finding ways to touch more people in an environment that doesn’t encourage this approach easy to accomplish? Absolutely not. That is exactly why when you succeed in doing it, you set yourself above the field, and why you’ll be the one your company insists on keeping—and even promoting—during the next talent crunch, budget crunch, or any other kind of crunch that comes around.

The first two laws describe how you create value and impact in your business interactions. Building on these first two, the third principle provides the formula for creating genuine *influence*:

## ABOUT THE BOOK

*The Go-Giver: A Little Story About a Powerful Business Idea* tells the story of an ambitious young man named Joe who yearns for success. Joe is a true go-getter, but he sometimes feels as if the harder and faster he works, the further away from his goals he seems to find himself. Joe learns the five laws of stratospheric success when he connects with Pindar, a legendary consultant known to his devotees as the chairman. Ultimately, Joe learns that putting others’ interests first and continually adding value to their lives can lead to unexpected returns. By changing his focus from getting to giving, Joe realizes he can achieve the personal success he craves while simultaneously making a true difference to his customers and associates.

The five laws of stratospheric success presented in this book go against conventional wisdom in a dog-eat-dog world.

This book provides a heartwarming and inspiring take that brings new relevance to the old proverb, “Give and you shall receive.”

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*Your influence is determined by  
how abundantly you place  
other people’s interests first.*

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Like the Law of Value, this principle often strikes people as counterintuitive at best, and downright naive at worst. Yet it's actually quite practical.

There is a Golden Rule of Business that says, "All things being equal, people will do business with, and refer business to, those people they know, like and trust." As much as "networking" is typically viewed as a way of relating to potential customers and the larger sphere of people outside one's own organization, this principle holds true equally for relationships *within* an organization.

For the phrase "people will do business with and refer business to," one can easily substitute, "people will assist, do things for, make things easier for, speed up the process for, and collaborate with" those whom they know, like and trust. They might also be more likely to recommend that person for a coveted project or promotion.

And there is no faster nor more effective way to elicit those feelings toward you in others than by your placing their interests first.

## Genuine Influence

We describe this as "the formula for creating *genuine* influence," because

we're not referring here to that sort of influence that derives from a position of power or authority. In *The 8th Habit*, Stephen R. Covey describes the distinction between what he calls "moral authority" versus authority by position, which he calls "formal authority." "Gandhi never held formal authority," Covey points out, "yet he was the father of the second largest democracy in the world. George Washington had tremendous moral authority, and that's why he was elected as our first president. It was his uncontested, acknowledged moral authority that created his formal authority—not the other way around."

Likewise, by *genuine* influence we mean the ability to influence others simply by the nature of who you are and how you interact, as opposed to influencing them because of a particular position or title you hold.

In the book, the ultra-successful financier Sam asks Joe, the book's protagonist, what people typically think creates influence. Joe replies: "Money. Position. Maybe, a history of outstanding accomplishments." Sam replies that it's exactly the opposite: those things don't create influence, influence creates *them*. And what creates *it* is putting other people's interests first.



On closer examination, this law is really an extension or interactional application of the first law, the Law of Value. In essence, it directs us to approach every relationship first from the perspective of how we can add value to the other person. In other words, apart from and *prior to* there being any opportunity to seek help, support or other benefit from another person, you regard them through the lens of this constant question: “In what ways might I contribute significantly to this person’s life?”

This is an orientation that many people have trouble accepting, but which the genuinely successful embrace wholeheartedly. In the course of sending out advance copies of our book, we were intrigued to note that the most successful businesspeople commented more on this law than any other, often singling it out and affirming that it does indeed describe the physics of genuine influence.

Enacting the first law—again, *giving more in value than you receive in payment*—results in an individual and/or a business or organization of greater *worth*. Enacting this third law—*consistently putting other people’s interests first*—results in an individual and/or a business or organization of great *influence*.

## The Art of Suspending Self-Interest

The key to this law lies in the sincere wholeheartedness of the orientation. Too often what passes for networking is really a disguised version of tit-for-tat, a type of interpersonal accounting system that measures favors given against favors sought. To be sure, a dog-*help*-dog world is a kinder and gentler environment for doing business than a dog-*eat*-dog world. But it’s still a context of arithmetic score-keeping, where the focus rests heavily on the implied question, “What have you done for me lately?”

The Law of Influence turns this mode on its head, approaching each business relationship with the question, “What have I done for *you* lately?”

Hence, many would say, “Isn’t this awfully naïve? Let’s be practical—we’re not aspiring to sainthood here, we just want to become more effective businesspeople!”

Quite true, and it’s important to recognize the reality of human nature. We are all driven by self-interest, and it’s not reasonable to expect that to change. But we don’t *need* that to change in order to put this law into effect. All we need to do is place our self-interest to the side for a moment,

exercising what British networking expert Thomas Power, in his excellent book, *Networking for Life*, calls “the willing suspension of self-interest.” We do something similar every time we watch a good film. We *know* it’s just a movie; we *know* that Bruce Willis isn’t really blowing up an entire terrorist band, and that when the head terrorist points a gun at his head and he responds by coolly cracking an insulting joke, the actor’s life isn’t actually in danger. But in order to enjoy the story, we *willingly suspend our disbelief*. We make believe that what’s up on the screen is really happening, so that we can experience the thrill, the fear, the suspense and resolution, the full emotional intensity of the situation and then bring our sense of catharsis with us out of the theater. At no point do we truly relinquish our knowledge that this is simply filmed entertainment, staged for our benefit. We still *know* it isn’t real. But by willingly, temporarily suspending that understanding, we gain emotional access to the entire experience, and even after the film is over and we allow our disbelief to return front and center, we continue to enjoy the impact of the experience.

In practicing the Law of Influence, we do something quite similar, only in this case, it’s the willing and temporary suspension of *self-interest*. Not the *foregoing* or *elimination* of self-

interest, but simply its temporary deferral.

How do you demonstrate this, in practical terms? In the sales process, it’s actually quite easy. In *Endless Referrals*, we describe what we call “the one key question” in the networking process: “How can I know if someone I’m speaking with would be a good contact for you?” Like the five laws, this turns conventional thinking on its head. The question so many eager, would-be networkers are tempted to ask is the opposite—typically expressed as its own answer: “Here’s how *you* can know if someone you’re speaking with would be a great customer for *my* business!” As an example of proceeding from the premise of self-interest, this typical approach actually *diminishes* one’s influence.

## A Classic Example of Genuine Influence

Our friend Terri Murphy made her first fortune as a real estate sales professional. We refer to Terri as “The \$14 Million Woman,” because that’s how much real estate she sold every year, in both good markets and bad. (And this was in the eighties, when \$14 million was a lot of money!)

Terri was totally and unequivocally focused on how she could help others;

not just in terms of real estate but in any area of life. She was always on the lookout for how those she knew could help, or be helped by, others she knew. She referred business to others, suggested resources and offered individually targeted support in every way she could think of. In no time at all, she established a reputation as the truly caring and giving person she is, and in the process developed an absolutely raving fan base, second to none in her area.

All well and good, for a real estate agent. But how would Terri's example apply in an organizational context? The answer turns out to be surprisingly simple: *it applies directly, to any situation*. Whether you are a sole proprietor, in outside sales, or working within an organization where you have contact only with other employees, when you approach the people in your professional sphere of contact in the same way that Terri does, you create a culture of excellence, along with the inevitable results of influence and productivity that come with it.

## The Fourth Principle: Authenticity

The key to Terri's success is that in all these efforts to assist others, she is being entirely genuine. It isn't a

strategy Terri applies in order to secure the affections (and the business) of others. It is simply an expression of who she is.

The good news is, it is also an expression of who we *all* are. Having a giving nature is not something reserved for the sainted few. It's hardwired, every bit as much as is the instinct for survival. Again, at no point are we suggesting we seek to deny our own self-interest; this, too, comes with the territory of being human. But with the temporary suspension of self-interest, we also soon discover that *giving feels good*. And it does so because it taps into our genuine nature: we are all innately, authentically generous.

The fourth law, The Law of Authenticity, says:

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*The most valuable gift you have to offer is yourself.*

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The best thing about this law is that it isn't something you have to *learn*; it is something you simply need to *embrace*, because it comes to us all naturally, if we only let it.

In *The Go-Giver*, there is a character named Debra Davenport who discovers

that all the sales skills, technical skills and even people skills she has labored to learn are for naught unless she is genuinely herself with her clients. When she gives up on all the techniques and lets herself simply be herself, the sales process miraculously works. This is not to say that knowledge and the development of solid skill sets are not important; indeed they are. They are *very* important. But they are worthless in the absence of authenticity, while the *presence* of authenticity multiplies their effectiveness geometrically.

George Burns once jokingly remarked, “In Hollywood, sincerity is everything. If you can fake that, you’ve got it made.” But authenticity is something you can’t really fake, at least not for the long term. People have an uncanny radar for inauthenticity and, whether consciously or not, can smell it a mile away. Because we don’t always listen to our own intuition, people who fake it can often get away with it for a time, but not forever.

There is a story about Gandhi (perhaps apocryphal, though it certainly seems to fit his character) that is a beautiful example of the power of authenticity.

A woman once traveled to India to bring her son to see the famed spiritual and political leader. When they met, she said, “Sir, please tell my child not

to eat sugar.” The great man asked her please to return with the child in thirty days. Irritated and confused, she agreed and left. A full month later she returned and brought her boy to see the man. Again she said, “We are back, it’s been thirty days—please tell my child to stop eating sugar.”

Gandhi tenderly looked at the boy and said, “My son, stop eating sugar.” The boy agreed immediately, pledging that he would no longer eat sugar from that day forward. Grateful but still confused, the mother said, “I don’t understand. Why did you make me leave and then journey all the way back here thirty days later, just so you could tell him what I asked you to tell him in the first place?”

Replied Gandhi, “Because thirty days ago, *I* was still eating sugar.”

That’s authenticity, and that level of integrity is not only the greatest gift you have to offer others, it also bestows great power and makes one much more attractive to others. In that sense, the fourth law is an amplifier of the third.

## The Fifth Principle: Receptivity

The last principle, the Law of Receptivity, says:

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*The key to effective giving is to stay open to receiving.*

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Try something: for the next thirty seconds, exhale. That's it: just exhale, while in your mind counting to thirty. Can you do it? Of course not: it's impossible. Within less than ten seconds you *have* to inhale. The only way you can continue to exhale is to inhale as well.

As Pindar, the mentor character in *The Go-Giver*, points out:

"At this instant, all over the globe, all of humanity is breathing in oxygen and breathing out carbon dioxide. So is the rest of the animal kingdom. And right now, at this instant, all over the globe, the billions and billions of organisms of the plant kingdom are doing the exact opposite—they're breathing *in* carbon dioxide and breathing *out* oxygen. Their giving is our receiving, and our giving is their receiving. In fact, *every* giving can happen *only* because it is *also* a receiving."

Giving and receiving are two sides of one coin; they can operate fully only when working in tandem. Receiving is the natural result of giving; at the same time, continued giving is the

natural result of receiving. The effort to focus on either side of the equation while minimizing the other is an exercise in futility.

We've all heard the saying, "It's better to give than to receive." It sounds like a noble precept—but in fact, it is an insidious Trojan Horse of an idea, and it strikes to the heart of the challenge here, and the reason that all five laws so often strike people at first as counterintuitive, naïve, impractical or simplistic.

A number of reviews of our book have actually quoted us as saying, "It's better to give than to receive"—this despite that fact that in the book itself, we actually write, "It's NOT better to give than to receive. It's insane to try to give and not receive!" But the pattern of thinking runs so deep in our culture that an intelligent, literate reviewer can read a meaning into this simple passage that directly contradicts the words themselves.

But this is not how the genuinely successful see it, nor how they operate. The genuinely successful see focusing on giving value to others as an integral part of creating success.

What we need to do is to *allow* ourselves to receive. Surprisingly, many people have a problem with this. There are people who are habitual



takers, who take and only take—yet there are also people who give and refuse to allow themselves to receive. All the giving in the world won't bring success or create the results you want unless you are willing and able to receive in like measure. Why? Because if you don't let yourself receive, you're refusing the gifts of others and you shut down the flow.

In a 1934 paper entitled, "The Come-Back," Gardner Hunting wrote: "You've heard it said a thousand times that 'You can't get something for nothing.' You may or may not think that you believe this to be true, but it is true, whether you believe it or not; and everybody deep down in his inner nature knows it's true. That's why the person is weary of any promise that promises too much."

In other words, people are skeptical of big promises that ask for little in return, because they intuitively know you can't get something for nothing. It breaks a universal law.

"But," Hunting continues, "just let this idea get a foothold in your mind: If it is a law that I cannot get something for nothing, then it must be true of this law, as it is of all genuine laws, that it works both ways; it must be true that I cannot give anything without getting something for it."

When an organization truly exhibits a culture of excellence we see greater collaboration and productivity, increased innovation, and improved satisfaction for both internal and external customers.

Indeed, living with a giving spirit creates a rising tide that raises all the ships it touches, including the ship of the one who generates that tide. Create a culture of excellence, and you reap the rewards of excellence.



**Bob Burg** is a highly sought-after speaker at company leadership and sales conferences, having addressed audiences ranging in size from 50 to 16,000. He is coauthor of the international bestseller, *The Go-Giver* and *Go-Givers Sell More* and author of *Endless Referrals* and numerous other books (more than 1.5 million sold in total). Bob has shared the platform with notables including today's top thought leaders, broadcast personalities, olympic athletes, and political leaders including a former United States President. His newest book is *Adversaries into Allies: Win People Over Without Manipulation or Coercion*. For more information visit: [www.Burg.com](http://www.Burg.com).

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