

INTRODUCTION

It takes only two things to become an icon:

- A. Be the admired leader in your field
- B. Do so longer than deemed possible

Yet the vast majority of organizations never get there. A select few however do, and when they do, they often manage to do so for half a century, a century or more. This begs the question why, and how do they pull this off?

This book is about icons. Not the works of art commonly found in Eastern Orthodox churches, but exceptional organizations: leading orchestras, Michelin-starred restaurants, teams of world-renowned surgeons, invincible sports teams or stellar companies. All of them have an aspiration to make or do something special, and to go on doing so, year in, year out for decades. This is what gives these organizations their undeniable iconic status.

The one that grabbed our attention, and that set the writing of this book in motion, was Amsterdam's Royal Concertgebouw Orchestra (RCO). In 2013, the RCO celebrated its 125th anniversary. It rose to prominence only a few years after its founding, and has maintained a leadership position ever since. Such an astonishing feat deserves explanation, and that's why we decided to find out how the Concertgebouw Orchestra and other iconic organizations like it manage to stay at the top of their field for so long.

The Concertgebouw Orchestra shared our enthusiasm for this question, and invited us to research it in detail. In fact, managing director of the Royal Concertgebouw Orchestra **Jan Raes** joined the research efforts and author team. Raes had at that time already been managing director of the RCO for a number of years and had led various cultural institutions in the Netherlands and Belgium, and felt privileged now to be part of this orchestra. He was curious to understand what made the Concertgebouw Orchestra so special.

We quickly found out that the RCO is driven by a virtuous circle of competence which enables it to sustain its growth and continue to produce amazing results. Further research into other leading orchestras and iconic organizations revealed that they are all driven by a similar circle of competence.

This circle is stunning in its simplicity and in what it tells us about how organizations like this remain icons: their outstanding performance attracts the best *talent*, and with these people, they are able to form high-performing *teams* that are driven by absolute aspiration and can go on to achieve unparalleled results over *time*. In this way, the circle becomes self-sustaining. If it can be maintained by creating the right conditions, the organization can, in the fullness of time, become iconic. And as it turns out, such a circle of iconic competence can be incredibly robust. Although each organization interprets the elements of the circle of competency in its own way, the elements remain the same. As if to prove this point, one of our interviewees at the Berlin Philharmonic actually thought that we had based the circle of competence on his own orchestra.

This book has not been written in the form of a scientific report. Instead, and in order to do justice to the iconic organizations we have studied, we have tried to transmit the almost tangible sense of inspiration that we felt during our research and in the conversations we had with the members of those organizations. We hope to lead you on an insightful journey through iconic organizations, revealing the circle of iconic competence, and showing you how it applies in practice.

We wrote this book first and foremost for executives and managers with a leadership responsibility, to give them a sense of inspiration which they can pass on to their organizations. But this book will also be of interest for anyone who wants to take a look behind the scenes of some of the world's best-performing orchestras, restaurants, sports teams and companies.

There is arguably no particularly suitable timing for writing a book about iconic organizations that are around for decades or even more than a century. And indeed, the ideas and concepts for this book have been in the back of our minds and the subject of our intermittent research efforts for many years.

Jan and **Xavier Bekaert** met by chance after a concert in the Concertgebouw, and decided to continue their conversation. They quickly realised that there were many more similarities than they had first thought between orchestras and, for example, the management consulting firms that Xavier had first hand experience with. Strict selection of people, pure meritocracy, distributed leadership, an aspiration to constantly exceed expectations; all these things resulted in a positive feedback loop of success, and one which seemed surprisingly similar in all the iconic organizations they were familiar with. And so the idea for a book about iconic organizations was born.

A shared passion for deeply understanding organizations brought the entire author team together. Between us we have many years of strategy consulting experience at A.T. Kearney, Bain & Company, and Benthurst & Co which has given us the privilege of working closely with a large variety of organizations. It also fueled our natural desire to truly understand a given situation and distill the most pertinent learnings for broader application. Both **Gillis Jonk** and **Phebo Wibbens** have for example prior experience in developing and writing about strategic concepts at A.T. Kearney and Bain & Company respectively.

FOREWORD

The ideas in this book came about during interviews with leaders and in lengthy discussions within its team of authors. They form the synthesis of our research into the 14 iconic organizations discussed in this book.

Dealing with members of iconic organizations and exchanging ideas with them has been a source of great personal inspiration for us, and has generated many new insights. We hope to share them with you.

**Xavier Bekaert, Gillis Jonk,
Jan Raes and Phebo Wibbens**

FOREWORD

My first encounter with the Royal Concertgebouw Orchestra (RCO) dates back more than 60 years, to when I first joined my parents at the Concertgebouw for the famous “Beethoven Cycle”. From 1922 to 1957, the RCO performed Beethoven symphonies at the end of the regular season. Although my memories of these concerts are mixed (as an eight-year-old I thought them to be very long), I had the extreme fortune to hear Beethoven’s masterpieces performed under legendary conductors like Otto Klemperer, Pierre Monteux, Bruno Walter, Eugen Jochum, and, of course, the chief conductor at the time, Eduard van Beinum. This experience has laid the foundations of my profound love for music and for the RCO, which culminated in the honour of my becoming a member of its board nearly 50 years later, and subsequently in the privilege of being one of its ambassadors.

The orchestra is a fantastic example of the importance of excellence, which is the subject of this book. The RCO has reached such prominence because it has always pursued a number of basic principles that can easily be translated into the corporate world: teamwork, high standards, strong leadership, meritocracy and rigorous talent development are some of the characteristics that made the RCO what it is today.

The orchestra is a group of more than 120 members, and each one of them is the best in their profession. To make a well-oiled organization from these highly talented individuals is a remarkable accomplishment of the management and the chief conductor. Their dedication and the superb quality of the members create a true team that strives for excellence and

an environment where individual performance is an integral part of the success of the group.

This book analyses this remarkable accomplishment and compares it with those of other iconic institutions, such as El Bulli and the All Blacks, to name but two examples . The authors also develop a model that comprises a number of features common to the organizations discussed in the book. It is a useful read for anyone who would like to apply the tools that lead to iconic success in their own business environment.

Amsterdam, October 2015

Tom de Swaan
Chairman Zurich Insurance Group