LEADERSHIP & MANAGEMENT

High Output Management

by Andrew S. Grove

Intel's legendary CEO teaches the craft of managing: leverage, meetings, and output, in plain language.

BEST POINTS FROM THE BOOK

01 **Your output is not your work. It is the output of your organization plus every organization you influence.**

Grove's core formula. A manager who produces alone has failed by definition; know-how managers with no direct reports count too, because influence is output.

02 **Hunt leverage relentlessly: one hour of yours should move many people's output, for a long time.**

Leverage is output per hour of manager time. A key insight shared widely, a decision made early, or training delivered once all qualify. Waffling, meddling, and low moods are negative leverage.

03 **Delegate, but never abdicate: monitoring a delegated task is not meddling.**

You stay responsible after you hand work off. Check progress at a low-value stage, like a rough draft, at a frequency set by the person's maturity on that task. Delegate what you know best, because that is what you can monitor well.

04 **Run your work like Grove's breakfast factory: find the limiting step, then watch indicators that forecast trouble.**

The three-minute egg sets the pace for the whole breakfast; design everything else around it. Track a handful of leading indicators - forecast, inventory, equipment, manpower, quality - paired so one cannot be gamed, and catch defects at the lowest-value stage.

05 **Meetings are not interruptions. They are the medium of managerial work, so engineer them.**

Process-oriented meetings (one-on-ones, staff meetings, operational reviews) share knowledge; mission-oriented meetings exist to produce a decision. Each needs a chairman, an agenda, and minutes that record the decision and next steps.

06 **The one-on-one belongs to your subordinate, not to you.**

They set the agenda and take notes; you ask questions until problems surface while they are still small. Hold them about weekly for someone new to a task and every few weeks for a veteran - roughly an hour, on a rolling schedule.

07 **Good decisions follow three steps: free discussion, a clear decision, then full support from everyone.**

Decide at the lowest competent level, where the knowledge actually sits. Beforehand, settle six questions: what decision, by when, who decides, who is consulted, who can veto, and who must be told. Peers alone stall - add one senior voice to break the peer-group syndrome.

08 **When someone underperforms, there are only two causes: they can't do it, or they won't do it.**

Grove's sports analogy: test it by asking whether they could do the job if their life depended on it. Can't means train; won't means motivation. You cannot manufacture motivation - you can only build an environment where it flourishes, aimed at self-actualization, the one unlimited source.

09 **Match your management style to task-relevant maturity, not to the person.**

Maturity is per task: a star in a new role is a beginner again. Low maturity gets structure - what, when, how. Medium gets two-way communication and support. High gets agreed objectives and monitoring only. Judge styles by effectiveness, never by niceness.

10 **Pick your mode of control to fit the ambiguity: market, contract, or culture.**

Free-market control works when self-interest rules and things are simple. Contracts work for group interest in stable settings. When complexity, uncertainty, and ambiguity run high, only shared cultural values hold - and managers build those by articulating values and living them.

11 **Deliver performance reviews with the three L's: level, listen, and leave yourself out.**

Assess performance against expectations set in advance - performance, not potential - and accept being judge and jury. Be totally frank, listen to confirm the message landed, and keep your own guilt and anxiety out of the room. Spend extra effort reviewing your aces: they produce a disproportionate share of the output.

12 **Training is the boss's job - and one of the highest-leverage things you will ever do.**

Grove's closing chapter: training is a process, not an event or a rescue effort. Teach your own team yourself, in an ongoing program; a few hours of your teaching lifts the whole team's output for a year or more.

THE BOOK, IN SHORT

Andy Grove, Intel's president when he wrote this in 1983 and later its CEO, built the book as a training manual for middle managers. It opens in a breakfast factory turning out a boiled egg, toast, and coffee. Through that humble model Grove teaches production thinking: every process has a limiting step - the three-minute egg - that sets the pace for everything else; work should be

inspected at the lowest-value stage, before value is added; and a manager steers by a small set of indicators (sales forecast, raw materials, equipment condition, manpower, quality) that forecast trouble while there is still time to act.

Part II states the book's core formula: a manager's output is the output of his organization plus the output of the organizations under his influence. Because a manager's own hands produce almost nothing, everything runs through leverage - the output created per hour of managerial activity. Managers gather information, nudge, decide, and model behavior; the craft is shifting time toward activities where one of your hours affects many people, or one person for a long time, and delegating without abdicating. Meetings are the medium of this work: one-on-ones owned by the subordinate, staff meetings, operational reviews, and mission-oriented meetings called to force a decision. Decisions themselves follow a strict model - free discussion, a clear decision, full support - made at the lowest competent level.

Part III scales the factory up. Grove's Law holds that all large organizations with a common business purpose end up in a hybrid form, part mission-oriented and part functional, with dual reporting as the necessary glue. What holds such structures together is the right mode of control: free-market forces where self-interest and simplicity rule, contractual obligations for stable group work, and shared cultural values when complexity, uncertainty, and ambiguity are high.

Part IV turns to the players. Through a sports analogy Grove argues that a person who is not performing either can't do the job or won't - a capability problem fixed by training, or a motivation problem a manager can only meet by building the right environment, since motivation cannot be injected. Task-relevant maturity then sets the manager's style for each person on each task: structure for beginners, communication and support in the middle, agreed objectives and monitoring for the mature. Performance appraisal makes the manager judge and jury, delivered by leveling, listening, and leaving yourself out; compensation is treated as task-relevant feedback.

The book closes with its most quoted claim: training is the boss's job, a process rather than an event, and one of the highest-leverage activities a manager can perform. That practicality is why the book endures - the weekly one-on-one, the written performance review, management by objectives with short feedback loops, and the hunt for leverage all trace back to these pages.

DO THIS WEEK

This week, run Grove's system in miniature. First, list your recurring activities and mark each one's leverage; cancel or shrink one low-leverage item. Second, start or refresh a one-on-one with each person you manage: they set the agenda and take notes, you ask questions - weekly for anyone new to a task, every few weeks for veterans. Third, pick one process you own, name its limiting step, and choose one leading indicator to check daily.

By Andrew S. Grove, first published 1983. The classic operating manual for managers; still used to train leaders across Silicon Valley and beyond.