AN EXECUTIVE SUMMARY OF
REWORK
CHANGE THE WAY YOU WORK FOREVER
by David Heinemeier Hansson and Jason Fried

Who are David Heinemeier Hansson and Jason Fried

Jason Fried is the president and co-founder of 37 Signals, a company based in Chicago that builds web-based tools to increase productivity. 37 Signals is most famous for software tools like Basecamp, Backpack, Highrise, Ta-da List, Campfire and much more. As the partner of 37 Signals, David Hansson is also known as the creator of the very famous Ruby on Rails programming framework. His framework is not only adept at powering the products released by 37 signals but it also caters to Twitter, Yellow Pages, Hulu and other thousands of web applications. The authors have a strong fan base and they have outlined how they think businesses should work in their book: ReWork: Change the Way You Work Forever.

Preston and Stig’s General Thoughts on the Book

We read this book in a day. This typically means two things. It is not too long…and it is filled with great business pointers! Anyone that is either in the process of starting up a new business or is perhaps already running one and doesn’t know what’s wrong, you’ll find this book very valuable. The book takes the corporate world and turns it upside down. Long hours don’t mean that you are a hard worker – rather it means you are inefficient. Having a lot of money and a large organization is not an advantage – rather the opposite will give you the opportunity to focus on simplicity and lets you respond fast to changes. It’s safe to say that Rework challenges the way I saw business, and it’s when people disagree with me that I typically learn the most.

Preface

There are many business books out there that tell you how to handle your business but none of them perform like Rework. Rework shows you how to build a better business quickly and succeed at it. While most business books focus on old rules, this book is refreshing because it tells you how to excel without seeking investors and why you’re going to prosper while ignoring your competition. You need to stop being a workaholic and stop wasting your precious time on meetings and paperwork and concentrate on things that really matter.

Chapter 1: First

In this first section, the authors state that this book is meant for anyone who’s looking to set up a successful business. This book not only caters to people who dream of setting up a business, but it’s also for entrepreneurs who have worked for years to maintain their existing business. Whether you own a small or a big company and regardless of your circumstances, this book will guide you to achieve what you really want.
Chapter 2: Takedowns

Often, people will tell you that your ideas are preposterous and worthless just because they think that it’s ridiculous. In this real world, new ideas and foreign concepts are always trashed and are considered a failure. No matter what you do, it’s always insufficient, but once you dig deeper, you’ll realize that the people who ridicule you are filled with pessimism and will do anything to drag you down with them. Therefore, don’t let them bog you down because many companies that fail the test of the real-world can flourish consistently.

Contrary to popular belief, which states that your failure is a stepping stone to success, the authors argue that it isn’t necessarily true at all times. Success provides the ammunition you really need and when you succeed constantly, you will able to perform even better the next time. A study conducted by the Harvard Business School proves that the entrepreneurs who are successful are more inclined to succeed when compared to others who have faced failures. Therefore, the idea of learning from your mistakes is a tad overrated.

Business owners plan everything regarding their businesses, but unfortunately they don’t realize that it just hampers their progress. It requires an individual to speculate and though it’s almost impossible, entrepreneurs think that their guesses will help them succeed. Instead of thinking about long-term plans, one should think about what he’s going to do currently. As plans change according to various scenarios in business, entrepreneurs must be able to change and adapt quickly because if they can’t, they will surely fail. Working without planning surely seems scary, but if you work on plans that aren’t connected to reality, it’s even scarier. Basically this also comes down to focus. Continuously planning, especially in the long run, takes away from the current situation the company is in, and the problem that needs to be resolved.

Chapter 3: Go

In order to succeed, you must do something that could make a change in other people’s lives. Instead of working on the same ideas mapped out by others, you can always come up with products that can help people lead better lives. For example, Craigslist that transformed the classified-ad business has only 12 employees but that doesn’t deter them from generating millions of dollars in revenue every year.

The best way to construct a business is to make a product you could use yourself. When you come up with products that solve other’s problems, you tend to face difficulties, but if you create something you need, it becomes easier because you will immediately figure out whether the product is good or bad. For example, 37 signals created Highrise, the contact-management software that easily keeps track of all the communication between them and their clients. In other words, if you have an itch, you need to scratch it yourself to find something worthy.

Many people come up with several brilliant ideas, but have you wondered why all of them don’t succeed? Well, we all have millions of ideas but you will be successful only if you execute them. If an idea is not executed, then even the most spectacular ideas are worthless because everything lies in the execution. In addition, you can never come up with the excuse of having no time to work on your ideas. You can always spend extra time on your idea and create something that could make a difference. Also, it’s best to come up with a product you’re proud of and regardless of whether people love or hate it you need to stand by it. Others may try to push you down and laugh at your ideas, but that shouldn’t stop you from doing something you really believe in.

In this competitive world, most companies have mission statements that promise excellent customer service, but do they really stand by it? If you have a company you’ve built from scratch, ensure that your customers know that you
will perform as you promised. There’s no point in hanging signs that promise the world to the customers because the customers always prefer action rather than just words. You should be consistent and think about the long term. You often hear about owners having an exit strategy. That is the wrong way to think about your business. Instead you should be considering what your commitment strategy is.

When you start a business, try to go slow and build it as you can. Think hard about what you really need and stick to that because there are thousands of companies that are highly successful even though they started in a basement or a garage with a frugal mindset. Several companies look for outside investments but if you go that route, remember that you will have to listen to someone else calling the shots in your own company. Since the investors want their money back sooner rather than later, you’ll end up draining the cash resources in your company and that’s not a great way to go.

**Chapter 4: Progress**

As a business owner, you’re going to experience several constraints down the line, but you must have the ability to embrace them without complaining. Interestingly, you will realize that your constraints actually push you harder, forcing you to create something better. Remember that you need to design something that’s good even if you don’t have a lot because it’s always better to concentrate on one product instead of trying to do everything at once. Therefore, it’s recommended that you chop stuff you don’t need out of your business even if they are good, and as you grow you will realize that it was best for you.

One surefire way to succeed in business is to build an awesome product and although it seems overwhelming, you need to go slow and start at the epicenter of the product. For instance, if you’re selling ice-cream, you need to focus all your energy on the ice-cream which is your main product since the ice-cream stand and other things you need is secondary.

Additionally, don’t delve too much into details since they can frighten you early on. Let’s take the ice-cream example again. While you’re creating your company, don’t get into an in-depth research and waste time by thinking about different flavors because they will change in the future anyway. So, just plan whatever necessary, make those decisions and don’t worry about them even if they are wrong because they can be corrected later. If you avoid making decisions, you’re bound to miss out on the big picture.

While you polish your product and remove unnecessary things you don’t need, think about what you can include to make your product last for a long time. If you come up with a commodity that serves your needs, ensure that your interests lie in things that won’t change even decades later. Many companies focus on short-term availabilities, but if you construct something that’s going to last for decades, you’re golden.

**Chapter 5: Productivity**

If you’re creating a company, it’s imperative to not get confused and lost in the illusion of agreements. In other words, if you’re explaining your product, you need to be crystal clear about what it entails. Don’t let meetings, reports, flow charts and diagrams waste your time and lead you the wrong way. You need to ask the right questions and figure out if you’re doing something worthwhile. Is your product going to solve an important issue? Do you really believe in it? Why are you doing what you’re doing? Is there an easier way to solve any problems regarding your product? Is it worth all the effort? The answers to these questions will help you figure out if you’re on the right track. After all, you’ll immediately know if you’re throwing your precious time at a bad product.
Working without interruptions is another technique to inch your way towards success. Most people who work on weekends are termed workaholics, but are they getting extra work done or they are unable to finish all their work within the week? You must have noticed how you get more work done when you’re alone. Therefore, get into the alone-zone and focus on your work without letting small interruptions distract you. It’s okay if you don’t meet people face to face and discuss things because you can always communicate through emails too. Ensure that you attend as little meetings as people because meetings are toxic. It’s highly unlikely for you to get something productive out of all your meetings since they are just about abstract concepts. It only wastes your time and you’d rather spend all your energy to work on something concrete instead of arguing with others during meetings. While you should be thinking long-term, you should not set long-term goals. These are the goals that will never be completed anyway, because they don’t seem specific for your team. Instead motivate and get your team excited about what you can achieve in two weeks and start on another project.

While you’re in the process of creating a product, it’s extremely essential for you to understand when to quit if things aren’t working well. For instance, if you speculate that you’ll get something done in about two hours, it can be quite difficult to quit after you’ve spent 8 hours working on it; however, if you keep working you might lose your sleep, which is never recommended, and spend 16 hours more and end up with nothing. You must realize that as humans, we are bad at estimating and you should take that into account when working on your product.

Chapter 6: Competitors
There are many ways to come up with a great product and though copying someone else’s idea can help you move forward in the short-term period, it’s not going to last forever. Although it’s tempting to copy someone’s brilliant work, remember that you’re never going to set an example and lead others. On the other hand, if you’re successful, other people will copy your genius. But how do you protect yourself in such scenarios? You inject your personality and decommoditize your product, thus ensuring that it can never be copied.

If you’re unhappy with your competitors, be honest about it so that you attract more followers who are loyal towards you. For example, Dunkin’ Donuts has never shied away from being vocal about their feelings towards Starbucks. This has not only garnered attention, but it also reduces their competition. However, don’t try to overdo whatever your competitors are doing because that’s a quick recipe for your failure. There’s no reason for you to hire 20 employees just because your competitor has 10. You need to focus on what you and your customers need, instead of copying or one-upping your competitors.

Chapter 7: Evolution
Many business owners falter by saying “Yes” to everything and often regret their decisions later. Don’t be afraid of confrontations when you say “No” since it will only benefit you in the long run. Get into the habit of saying “No” when something isn’t up to par. To excel, you need to stop settling with anything that screams mediocrity. In addition, don’t try to change what you’re doing just because you think that the customer is right. Sure, you can always adapt to changes, but ensure that you don’t run your business based on the suggestions offered by a few people. That’s not to say that you don’t have to completely ignore your customers. Remember that your customers act as a constant reminder and if you notice that a lot of people are asking you to change something, you probably need to pay attention to that. You don’t even have to write it down since they will remind you repeatedly. However, if you make the mistake of changing everything due to a few customers, you won’t be able to last long when they disappear due to inconsistency. Concentrate on your current customers and make decisions as you go along.

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The best way to create and design excellent products is to stick to your gut feeling and come up with something that can be used by a majority. You don’t have to have all the features, but be certain that it’s great with whatever little it has. Be proud of what you have created and sell it as aggressively as the big stores.

Chapter 8: Promotion
When launching a product, don’t worry about popularity because it’s sometimes nice to work when nobody really knows you. You can test and tweak your products to your heart’s content while you’re obscure but once you’re famous, you won’t be able to change many things. It also helps you to work your way towards building your audience slowly, and thanks to technology, you don’t even have to spend big bucks for advertisements or send press releases and spam people. If you build a good product, your audience will reach out to you and remain loyal. Teach and share your experiences with your audience to create a better connection. You don’t have to outsmart your competition to be successful because you can simply out-teach them to flourish in your business.

During the process of building a loyal fan base for your company, you can make videos or use social media to show how you work. You think no one is bothered? Think twice! Just like “The Ice Truckers” became famous although it was just a show about truckers, your videos and experiences might garner interest too. Sharing your little secrets with your audience will help them understand your business better, even with your flaws. Nothing’s perfect and people will accept your product along with its flaws since customers hate anything that’s fake.

Chapter 9: Hiring
Hiring people is an important process for any company, but before you hire anyone, make sure that you understand what the job entails. You can either work on your own or hire someone to do it but if you’re clear about the responsibilities, you’ll never be in the dark. In addition, hire only when you’re unable to take up a huge load. You should hire only when you can’t do it yourself anymore and if an employee quits, don’t hire anyone immediately to replace him/her since it will allow you figure out if you can carry on without hiring anyone. “In other words: Hire when it hurts – never for pleasure”

Many companies hire without a thorough investigation. Sometimes, they hire talented people just because they are available. Never do the mistake of creating new jobs for employees no matter how brilliant they are. The more strangers you hire, the more your company dives into trouble and since strangers only try to appease people instead of being honest, they are more likely to harm your company.

Ultimately, if it’s imperative for you to hire someone, your primary preference must be to hire people who have spent time researching you. Work with people who love what you do rather than working with a bunch of strangers who couldn’t care less about your company. Don’t hire people based on their resumes, years of experience and GPAs because they simply don’t matter in the long run. In fact, hire great writers as they will excel at communicating your message clearly to your audiences.

Chapter 10: Damage control
In any business, you’re bound to wade into troubled waters time and again. If you make mistakes, know that it’s alright, but you must be the first person to announce your mistakes to your customers even if they haven’t noticed it. With such a fast paced world, someone or the other is going to find out about your mistake and spread it to everyone, so do it yourself before you’re caught. Needless to say, if your customers reach out for help, try to offer your service
as soon as possible. While there are companies that take their own sweet time to respond, you can stand out by providing lightning fast service because speed truly matters.

In addition, learn to apologize to your customers when they are unhappy with your service, but please don’t come up with the rhetorical, “We apologize for the inconvenience we may have caused,” since it absolutely aggravates customers. You’re not only implying that there may not have been any problem in the first place by using the word “may”, but you’re also apologizing in a robotic manner! So, be realistic and put yourself in your customer’s shoes to understand and solve the issue at hand.

Chapter 11: Culture
Don’t be in a hurry to create your company’s culture right after its inception. Moreover, you can’t create culture since that’s something that will have to evolve on its own. Great companies are known for their culture but it’s actually an image they have created after years of spectacular service. They make their customers comfortable by developing trustworthy connections and that’s why they are triumphant with their growth.

Create an environment that symbolizes your company’s ideals so that everything occurs smoothly. Also, respect your colleagues to create the perfect environment. Never treat your colleagues like children who are supposed to ask your permission for everything. No, they aren’t 13! You’ve probably heard of companies that ban employees from using social media during work hours, but that doesn’t mean that their employees are converting their time to apply extra efforts. For instance, if you expect your employees to work for 9 hours a day, it’s highly unlikely that you’ll get 9 hours worth of work because, as humans, we all need distractions. Be realistic!

Conclusion: Inspirations can perish
We all come up with numerous brilliant ideas and if you have one, get to work immediately when you’re inspired because if you wait for long, your inspiration could perish. Like everything else, inspiration comes with an expiry date. Start working as soon as you come across a brilliant idea before it wanes since you’ll work harder that way. Believe in yourself and rework to change the way you work forever.
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